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Further on ESCAP Meeting in Seoul

Delegates Address Session, Attend Receptions

SK0204131691 Seoul YONHAP in English 1236 GMT 2 Apr 91

[Text] Seoul, April 2 (YONHAP)—The 47th session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) is now in full swing with delegates from member countries starting keynote speeches, dicussing agenda and having unofficial contacts at receptions or dinner parties.

Early Tuesday morning, Chairman Yi Sang-ok, South Korean foreign minister, and 19 vice chairmen had a credential committee session, which, according to a Management Bureau official, proceeded without a conventional hitch.

Fifteen head delegates made their keynote speeches in the plenary session and they were from Malaysia, India, Papua New Guinea, Australia, Vietnam, Bangladesh, Marshall Islands, Singapore, the United Kingdom, New Zealand, France, Brunei, Laos, Iran and Hong Kong.

Forty-three senior delegates, out of the total 49, had a luncheon meeting with South Korean President No Tae-u at the presidential office of Chongwadae, along with 13 ambassadors to Korea and five delegates from international organizations.

In the evening, there were a reception hosted by Muneo Suzuki, head delegate of Japan and a dinner hosted by Liu Huaqiu, senior Chinese delegate.

Delegates were also seated in initial sessions of two subcommittees and started hot debates over industrial and technological development, human settlements, environment, statistics and population.

A subcommittee, named as "the Committee of the Whole One," discussed industrial and technological development, human settlements and environment.

In the industrial and technological development sector, the particpating delegates reviewed, for example, the work and performance of the Asian and Pacific Center for Transfer of Technology (APCTT).

Members of "the Committee of the Whole One" were briefed on the results of the Technical Advisory Committee's sixth session and the APCTT governing board's fifth session, both held in Bangkok in December 1990.

Since the matter is closely related with the ongoing ESCAP session's theme of "Restructuring of Industry in the Asia-Pacific Region," it drew utmost attention.

In human settlements, according to an ESCAP report submitted during the meeting, rapid change is taking place in the urban settlements pattern, from predominantly rural to increasingly urban.

Urban growth is also becoming a major problem for the smaller Pacific island countries, particularly regarding the availability of land for the expansion of urban areas, the report said.

In the environment area, the participants discussed, among others, deteriorating environmental situation as depicted in the recently published report, "State of the Environment in Asia and the Pacific 1990," and policy measures to be taken to meet this challenge.

The other subcommitee, named as "the Committee of the Whole Two, discussed statistics and population.

In statistics, such topics as changing role of statistical offices in national development in the 1990s received illuminations.

In addition, a report on the activities of the Statistical Institute for Asia and the Pacific was presented for further guidance.

In population, four reports including one about the multidisciplinary regional population strategies were presented for consideration and endorsement.

2d Day of Meeting Ends; Delegates Offer Views

SK0404105191 Seoul YONHAP in English 0859 GMT 4 Apr 91

[Text] Seoul, April 4 (OANA-YONHAP)—Speakers from 20 nations took the floor Thursday as the Economic and Social Commission for Asia and the Pacific (ESCAP) began to discuss industrial restructuring in the region.

Most spoke in favor of a comprehensive report prepared by the ESCAP secretariat calling for intraregional efforts for balanced industrial growth and distribution of benefits, but a sizeable minority warned there was no single way to resolve the economic problems of all member nations.

"ESCAP should present various menus for each country to choose from," a Japanese delegate said of the report, which assesses industrial restructuring in the Asian and Pacific economies over the last three decades and makes 20 broad policy recommendations for ESCAP to act on.

"The major theme running through the recommendations and proposals for action is the achievement of lasting structural change in industry through the adoption of higher value-added and competitive manufacturing processes," the report said.

"Human resources development, upgrading of technology, pursuit of appropriate macro-economic policies, maintenance of an open and fair international trading system and provision of modern infrastructure facilities, especially transport and communications facilities, constitute the necessary prerequisites for effective industrial restructuring," it said.

Concentration on extending aid to least-developed countries and island nations was echoed in the open forum, which followed the last keynote speech of the session by Soviet chief delegate Igor Rogachev.

The need to put more emphasis on the battle against poverty was a concern of Shah A.M.S. Kibria, ESCAP executive-secretary, as well as delegations from the Soviet Union, the Philippines, China, Korea, Bangladesh and Bhutan.

While industrialized countries in the ESCAP region have the greatest capability to absorb adverse economic conditions, the newly industrializing economies find it hard to rechart their course from labor- and capital-intensive industrial structures to technology- and knowledge-intensive forms, participants said.

While not closely integrated into the economy and thus not immediately effected by global economic conditions, any reduction in official development assistance will deal a heavy blow.

Liberalization of intraregional trade was another key issue. An Iranian delegate called it one of the top priorities, while other speakers warned the recent movement toward bilateralism among developed countries threatened developing countries in the Asia- Pacific region.

Multilateralism was agreed to be in developing Asia's best interest and cross-border exchanges were urged, especially in technology transfer and human resources.

A British delegate emphasized the importance of training human resources as a key factor in economic restructuring.

Late-comers to industrial development often lack particular types of skilled workers, it was agreed, leading to a general lack of managerial and technical resources. And companies seeking to invest and produce for increasingly quality-, service- and cost-competitive markets may be constrained by the inadequate availability of skilled human resources.

There was a consensus that the growth process that characterized Japan, the newly industrializing economies and ASEAN (the Association of Southeast Asian Nations) should be more widely integrated in the least-developed countries. Vital to this aim will be cross-border transfer of experiences of various countries gained during their industrialization process.

Rogachev Urges Coordinated Search for Security

SK0404070291 Seoul YONHAP in English 0634 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—A senior Soviet official has called for dialogue between the Soviet Union and Asian nations to create a new order of peace and cooperation in the region.

Deputy Foreign Minister Igor Rogachev, citing the "tragic experiences of the Gulf war," called Thursday for a coordinated search for security and cooperation in the Asian and Pacific region in an address to a U.N. regional conference in Seoul.

"We are prepared to search for and try specific Asian or Pacific methods of dealing with security and cooperation issues," Rogachev told a plenary session of the Economic and Social Commission for Asia and the Pacific.

"It is a system of peaceful resolution of conflicts and disputes, one that provides additional international guarantees as yet nonexistent in Asia and the Pacific, that should bridge the possible confidence or security gap that may arise under the new conditions.

"There is, in our view, an urgent need for dialogue among all the countries of Asia and the Pacific with a view of jointly harmonizing the on-going construction of a new system of relations in the region.

"The search for common ground in the positions of various countries, coordination of initiatives and arrival at joint solutions urgently require a dialogue at various levels, including the highest level, that would be gradually transformed into a stable process of consultation and negotiation.

"It may be that at some future stage it will lead us to an effective negotiating infrastructure, without which we feel it will be difficult to cope with the task of building an entirely new system of relations in Asia and the Pacific."

On the economic side, he said, "the fall in the growth rates in leading industrial nations, the difficult problems associated with market-oriented reforms in centralized economies to market relations, the effects of the Gulf crisis and difficulties at the Uruguay Round of GATT negotiations had a considerable adverse impact on economic growth in many developing countries of the ESCAP region, particularly the least developed among them.

"The most acute social problem of the region is poverty. Eighty million people live below the poverty line, which amounts to three- quarters of the world's poorest.

"When preparing a regional social strategy, due attention should be given to such issues as developing and improving the social infrastructure, excessive populaton growth, uneven income distribution, environmental degradation and its human impact, increasingly urgent social problems of women and youth and the growing number of refugees," he said.

Turning to the Soviet domestic matters, "now we have entered a decisive stage in its development. The nationwide referendum held on March 17 this year demonstrated the resolve of the peoples of our country to preserve a renewed union. This is the main political result of the referendum."

"The next step," he said, "is to sign a new union treaty based on a clear-cut distribution of functions between the center and the republics."

Touching on Soviet economic matters, he said, "the trend toward a market economy is gaining ground and becoming the prevailing one. Within the overall process of decentralizing foreign economic activity, some 30,000 Soviet enterprises and organizations have received the right to have direct access to the external market."

"The policy aimed at further rationalizing foreign economic activity and harmonizing it with generally recognized legal and economic practices will be continued," Rogachev said.

"I wish to note particularly the high rates of development of our economic ties with the Republic of Korea. In our view, the establishment of diplomatic relations between our two countries will provide a new impetus to the development of bilateral trade, economic, scientific and technical cooperation."

Korea and the Soviet Union formed diplomatic ties last year, breaking the ice of ideology several decades old.

"We, in the Soviet Union, are confident that the processes of radical reform under way in the Soviet economic and political system will eventually open up new opportunities for promoting our economic ties with the countries of this region," he said.

Soviet Deputy Foreign Minister Interviewed

SK0504023091 Seoul KBS-1 Television Network in Korean 1200 GMT 4 Apr 91

[Interview with Soviet Deputy Foreign Minister Igor Alekseyevich Rogachev, by Korean Broadcasting System, KBS, anchorman Pak Song-pom—live, in Russian with simultaneous Korean translation]

[Text] [Pak] Mr. Deputy Minister, welcome to Korea and thank you for joining us this evening. We understand the Soviet Union is trying to establish closer diplomatic relations with the countries in Northeast Asia in recent years. Some say that the Soviet Union's policy is to increase its influence in this region militarily and strategically. What is the basic direction of the policy of the USSR in the region?

[Rogachev] The Soviet Union is now actively pushing ahead with diplomatic activity in the region of Northeast Asia and the Pacific. Such a policy of the Soviet Union is based on President Gorbachev's Vladivostok declaration and Krasnoyarsk declaration. The purpose of the policy is by no means to realize the ambition for increasing its military and strategic influence in this region. The Soviet Union has been making efforts to eliminate political and military tensions in all regions of the world. Therefore, the Soviet Union has advocated the need to remove military confrontation in the world. Proceeding from this, the Soviet Union wants to maintain cooperative relations with all countries in Asia and the Pacific on an equal footing.

[Pak] Some experts say that Moscow and Beijing are becoming good friends again. How do you see the future relations between the two countries?

[Rogachev] Relations between the Soviet Union and China are now showing a rising curve. Two years ago, in 1989, President Gorbachev visited Beijing for the first time in the 30 years since diplomatic relations between the two countries were broken off, and historic summit talks between the Soviet Union and China were held at that time. General Secretary Jiang Zemin of China will visit Moscow next month; therefore, the Soviet side is now looking forward to talks with Jiang Zemin with great expectation. Relations between the two countries are developing under the principles of equality and noninterference in internal affairs. The present state in the relations between the two countries is at the stage of mutually exchanging information in politics and economic planning.

[Pak] Mr. Deputy Minister, North Korea sometimes has openly criticized the Soviet Union for its establishment of formal relations with South Korea. What is the Soviet Union's position on that kind of attitude of North Korea?

[Rogachev] Last September the Soviet Union and the ROK established official diplomatic relations. I understand that the Soviet Union's supply of weapons to North Korea has been argued among the people. There has been a mutual understanding between the ROK and the Soviet Union that the establishment of official diplomatic relations between the ROK and the Soviet Union should not hurt the existing friendly relations between the North and the Soviet Union. The Soviet Union and North Korea may have different opinions on international issues. They have actually had different opinions on some issues. However, although the two countries have different opinions, their friendship cannot be changed.

[Pak] Do you have any remarks about reports recently in Japanese newspapers about the incident of the shooting down of the Korean Airlines [KAL] plane in 1983?

[Rogachev] When President No Tae-u visited the Soviet Union last December, the Soviet Union expressed regret through the summit talks. The KAL incident was a legacy of the cold war. I think the joint statement of the two countries has a provision which emphasizes that the two countries should not stick to the past but should advance with a forward-looking attitude. I think this is very good.

[Pak] Thank you.

Aid for LDC's, Trade Talks Tops 5 Apr Agenda

SK0504114291 Seoul YONHAP in English 1037 GMT 5 Apr 91

[Text] Seoul, April 5 (OANA-YONHAP)—Ten-year aid plans for the least developed countries (LDCs) and Uruguay Round [UR] trade negotiations topped the agenda at Friday's session of Economic and Social Commission for Asia and the Pacific (ESCAP).

The plenary floor opened for evaluation of the commission's program of action for LDCs in the 1980s and recommendations for the program in the coming decade.

Bangladesh and Afghanistan led the call for increased and maintained aid to LDCs while some advanced countries stressed the need for self-motivation among those countries.

Trade matters also dominated the session as all nations expressed unanimous support for successful conclusion of the multilateral Uruguay Round.

ESCAP report on LDC performances in the past decade presented disappointing results. Fledgling developing countries registered an average growth of three percent a year, a far cry from the target of seven percent set down by ESCAP project.

"Widespread poverty, inadequate social infrastructure and uncontrolled environmental degradation continue to charaterize many of the countries," the ESCAP report said.

"Some 72 percent of the world's total poor, including the extremely poor, reside in East and South Asia alone," it reported.

The depressing sentiments were echoed by delegation from Afghanistan. "Expectations remain unfulfilled," said Ghulam Shahbaz, the chief delegate, "perhaps the most crucial of these is that of promoting a more self-reliant process of economic growth which brings the poorest groups into the mainstream of development."

The ESCAP plan of action failed to locate exact targets, Bangladesh delegation claimed, and without the targets, it is difficult to monitor the progress.

Industrial countries are responsible for contributing to the growth of LDCs, said Habibul Rahman, adding any program of action needs to be adequately and effectively supported by developed countries.

Afghanistan and Bhutan went further to state their support for ESCAP in requesting additional resource from the United Nations in carrying out its program of action for LDCs.

Some of the advanced countries, however, emphasized self- motivation by the LDCs in spurring their own growth.

Focusing on the approach to the LDC matters, Japanese delegation pointed to the recent pragmatic view of not blaming others.

"This perception allowed us to employ the pragmatic approaches of not blaming the international community or developed countries for the poor economic performances of developing countries, the so- called North-South confrontation approaches as used to the case in the past," said Hiroshi Mizumi on behalf of his delegation.

"It was shared that the primary responsibility for development rested with developing countries themselves. And in this regard, their self-help efforts are of crucial importance for development," he added.

There was no room for debate on Uruguay Round issues, with all participating nations declaring their hopes for a speedy resolution to the multilateral trade negotiations.

A.I. Belchouk [name as received], representing the Soviet Union, responded strongly against possible collapse of the Uruguay Round, saying "We don't even want to contemplate on such a possibility."

South Korean delegation, while calling for speedy conclusion of the global talks, urged all nations to compromise.

"We would like to emphasize...That to facilitate the early settlement of the Uruguay Round negotiations, each nation should adjust its original expectations," said Chang Sung-woo.

"Particularly, leading countries should accelerate their political efforts to overcome obstacles in such critical areas as the agriculture negotiations. Although nations might be required to compromise on individual issues, the increase in world trade and welfare resulting from the establishment of a UR agreement will greatly benefit all participating countries," he said.

Vietnamese Delegate Addresses Meeting

SK0204084891 Seoul YONHAP in English 0742 GMT 2 Apr 91

[Text] Seoul, April 2 (YONHAP)—Vietnam will continue to pursue "all-round renewal" for economic development and to improve the quality of life, a senior Vietnamese Government official said here Tuesday.

"We have taken up a line of all-round renewal in order to secure economic development and improve the people's life," said Vu Khoan, vice foreign minister, in a speech to the 47th session of the Economic and Social Commision of Asia and the Pacific (ESCAP).

"Under this policy, all economic sectors equally enjoy opportunities for development:...A market system regulated by the state at the macro level has been introduced: the law on foreign investment has been promulgated to create favorable conditions for foreign investors to do business in Vietnam....We are determined to pursue and perfect this correct policy," he said.

"It is obvious that the economic blockade against Vietnam is running counter to the interests of the business circles of those countries.

"The world today offers a contradictory picture. On the one hand, the tremendous scientific and technological achievements so far recorded have opened up new prospects for unprecedentedly powerful economic development in history. On the other, economic recession is casting its shadow over many countries and regions, the Gulf war further compounding this situation.

"The hopes for a reduction of the arms race, an end to military confrontation and a political settlement for regional conflicts have been dimmed by the Gulf war.

"Developing countries are the main victims of the negative processes currently taking place in the world. The gap between the developed and the developing countries is widening....High trade barriers and the debt crisis constitute a heavy burden on the developing countries.

"Endowed with abundant natural and human resources, the Asian and Pacific region has indeed great potentials for vigorous development....It remains that the prevailing drive in the region is the people's thrust toward independence, prosperity, peace and cooperation. Bearing this in mind, we support the proposition that the next commission session be devoted to the theme of regional economic cooperation for development.

"We advocate the broadening of our relations with all countries on the basis of equality and mutual benefit...For easily understandable reasons, we pay great attention to the expansion of cooperation with countries in Southeast Asia.

"We, therefore, welcome any initiative aimed at promoting mutual understanding and cooperation among the countries in Southeast Asia. Apart from the regional cooperation, it is in our interest to step up cooperation with all other countries and all international organizations for the sake of peace and development."

OTHER ISSUES

SRV Seeks To Establish ROK Diplomatic Ties

SK0504010891 Seoul THE KOREA HERALD in English 5 Apr 91 p 2

[Text] Vietnam has offered to set up diplomatic relations with South Korea, said a Foreign Ministry official.

Meeting with Foreign Minister Yi Sang-ok at Lotte Hotel yesterday, Vietnam's Vice Foreign Minister Vu Khoan expressed hope that Seoul and Hanoi will establish diplomatic ties, said Kim Chong- ki, director-general for Asian affairs.

Khoan, according to Kim, suggested that the two countries exchange trade offices as an intermediate step before they form full ties.

Recalling that many European countries and all ASEAN member states have set up diplomatic ties with Vietnam despite the Cambodian issue, Khoan also wanted to increase trade and economic ties with Korea before the establishment of formal relations, Kim said.

The vice foreign minister expected the Cambodian issue to be settled in the not too distant future, and said there is no room for the Vietnamese government to interfere with the Cambodian matter any more.

However, Minister Yi said that the Korean government has been asked by its allies to delay the establishment of diplomatic relations with Vietnam until the Cambodian issue is resolved, Kim said.

Yi was quoted as saying that Seoul would enter a diplomatic relationship directly, without an intermediate stage when the time is ripe. The talks between Yi and Khoan were the first official meeting between South Korea and Vietnam since the end of the Vietnam War in 1975.

The Korea Trade Promotion Corp. has set up an office in Bangkok and it concurrently serves Vietnam.

Two-way trade, mostly in manufactured goods through third countries, doubled in 1990 to an estimated $150 million, according to Seoul officials. South Korean firms, searching for cheap labor, have expressed interest in investing in Vietnam.

Washington maintains a trade embargo on Vietnam as a way to get concessions from Hanoi on the Cambodian conflict and South Korean officials concede that U.S. pressure not to expand ties is felt.

SRV Denies Proposal

SK0504090591 Seoul YONHAP in English 0840 GMT 5 Apr 91

[Text] Seoul, April 5 (OANA-YONHAP)—Vietnam on Friday denied it proposed to establish diplomatic ties with South Korea, saying the issue was never discussed at a foreign ministerial meeting.

"There is no question of the Vietnamese side offering to establish diplomatic relations with Republic of Korea as reported by some sources," said a communique obtained by YONHAP News Agency from a Vietnamese delegation currently in Seoul.

A high-level delegate, when asked to elaborate on the communique, explained such proposal "was not raised."

"Head of the Vietnamese delegation, Mr. Vu Khoan (met) with Mr. Yi Sang-ok, chairman of 47th ESCAP [Economic and Social Commission for Asia and the Pacific] session. The two sides had exchanges of views on issues of mutual concern," the communique said, "two sides had made known their respective positions on bilateral relations."

The communique, however, claimed Vietnam did not offer to establish official ties with South Korea.

The Vietnamese delegation, headed by Khoan, is in Seoul to attend the 47th session of Economic and Social Commission for Asia and the Pacific (ESCAP).

South Korean Foreign Ministry official had said Thursday following a meeting between Yi and Khoan that Vietnam expressed hopes of establishing diplomatic ties with South Korea.

The official also said the Seoul Government would hold off such ties until the question of Cambodia is successfully solved.

A diplomatic source here said the communique is probably a sign of discontent on the Vietnamese side about the leak of the contents of the closed-door meeting with Yi.

Local press on Friday cited the South Korean Foreign Ministry official to report that Ho Chi Minh City offered to set up diplomatic relations with Seoul.

Khoan was originally scheduled to hold a press conference with the South Korean press on Thursday but canceled at the last minute for unknown reasons.

Interest has lately been mounting on opening ties between the two countries riding on the increasing economic cooperation.

ASEAN: No Objection to Ties

BK0404013691 Jakarta Domestic Service in Indonesian 0000 GMT 4 Apr 91

[Text] ASEAN does not oppose South Korea's efforts to upgrade relations with Vietnam. Speaking to reporters in Seoul yesterday, Foreign Minister Ali Alatas said ASEAN does not object to such efforts because it is South Korea's sovereign right to do so.

The foreign minister is now leading an Indonesian delegation to the 47th session of ESCAP [Economic and Social Commission for Asia and the Pacific] in Seoul. The 10-day meeting, opened on 1 April, is being attended by more than 1,000 delegates and about 70 international organizations.

During the news conference, Minister Alatas also expressed Indonesia's support for both North Korea and South Korea to join the United Nations.

Indonesian Foreign Minister on ROK UN Entry

SK0504053191 Seoul SEOUL SINMUN in Korean 4 Apr 91 p 3

[Interview with Indonesian Foreign Affairs Minister Ali Alatas at the United Nations Economic and Social Commission of Asia and the Pacific conference in Seoul on 3 April; first three paragraphs are introduction]

[Text] At a news conference held in the Lotte Hotel—the conference site—on 3 April, Ali Alatas, 59, Indonesian foreign affairs minister, who is now attending the 47th session of the United Nations Economic and Social Commission of Asia and the Pacific [ESCAP], said that "Indonesia wants North and South Korea to simultaneously enter the United Nations. If the ROK, however, applies for entry into the United Nations, Indonesia will prudently consider it." And he added, "Even though East and West Germany and North and South Yemen entered the United Nations in the past, this did not become a barrier to their reunification." In this way, he in effect, revealed his intention to support our policy of UN entry.

He is a prospective candidate for next UN secretary general and has firm support within the international diplomatic community.

He said, "Since 1986, the ROK has promoted cooperative relations with the Association of Southeast Asian Nations [ASEAN] as a partial cooperative member state; the issue of promoting the ROK to a full cooperative member state will be officially negotiated in the ASEAN council meeting to be held in Malaysia in July." He stressed the issue of promoting cooperative relations between the ROK and the ASEAN.

[Reporter] What do you think about the issue of easing tension on the Korean peninsula through simultaneous entry into the United Nations?

[Alatas] I support the North and South Korean efforts for realizing reunification. I carefully watch the various issues of improving relations between the North and the South, and want the reunification to be realized some day. Its realization depends on the leaders of the both sides and the reunification of the Korean peninsula will contribute to easing tension in the Asia-Pacific region.

[Reporter] What do you think desirable relations between the ROK and the ASEAN should be?

[Alatas] I hope that the ROK will develop close cooperative relations with ASEAN. The ROK promised to offer $5 million in cooperative funds for ASEAN over five years. I expect that the relations with the ROK and ASEAN will further expand.

[Reporter] The issues concerning Cambodia are not settled yet. However, what do you think about the issue of establishing diplomatic relations between the ROK and Vietnam?

[Alatas] Because the ASEAN states have diplomatic relations with Vietnam, the issue of establishing relations with Vietnam is entirely one of ROK sovereignty. And a way to peacefully settle the Cambodia issue has already been mapped out; thus, the issues will be settled sooner of later, I think.

[Reporter] Your name is mentioned as a candidate for the next UN secretary general. What do you think about this?

[Alatas] I know quite well that my name is mentioned in the press as a candidate for the next UN secretary general. This is, however, speculation. The Government of Indonesia has not mentioned such an issue yet.

Thailand, ROK To Team Up on Gulf Reconstruction

BK0304161991 Bangkok BANGKOK POST in English 3 Apr 91 p 21

[By Bunsong Kositchotethana]

[Text] Seoul—Thailand and South Korea will team up to cash in on business opportunities arising from the reconstruction of countries affected by the Persian Gulf war.

The issue was discussed here yesterday by Prime Minister's Office Minister M.R. Kasemsamoson Kasemsi and South Korean Foreign Minister Yi Sang-ok.

M.R. Kasemsamoson told Bangkok Post that Mr Yi had responded positively to the idea of the two countries working together on reconstruction projects in Middle Eastern countries.

Thailand will basically seek to supply a labour force for any construction projects South Korean firms might be able to secure in those countries, particularly Kuwait. Thailand also hopes to get subcontracts from Seoul.

There was some concern that countries which did not actively support the effort to drive Iraqi forces out of Kuwait might not be given full opportunity to tap business contracts arising from reconstruction, according to international analysts.

Aside from possessing a sharp, competitive edge in international trade, South Korea is a close ally of the US which led the allied forces in the Gulf war. Thailand maintained a low profile policy during the conflict.

M.R. Kasemsamoson conveyed a similar message to China's Deputy Foreign Minister Liu Huaqiu, whom he met separately here yesterday.

The Thai and South Korean ministers also expressed their desire to expand trade between the two nations. The trade ministers of the two countries will meet in South Korea later this year for talks on the matter.

M.R. Kasemsamoson asked South Korea through Mr Yi to send the highest possible level of delegation to the International Monetary Fund meeting to be held in Bangkok as a gesture of support and trust in the Thai Government.

PRC Policy in South China Sea Viewed

BK0404145191 Singapore THE SUNDAY TIMES in English 31 Mar 91 p 7

[Article By Charles McGregor, Swan Hunter international fellow in Southeast Asian Studies in the Department of International Politics, University College of Wales, Aberystwyth]

[Text] There is mounting speculation in Southeast Asian capitals that as the Cambodian conflict pales into insignificance, the South China Sea will become the most likely focus of tension in the region. The ambivalent positions China has taken on the island territories in the South China Sea and the Chinese Navy's growing capability in the area do little to quash such speculation.

China has not repeated Premier Li Peng's statement before journalists in Singapore last August that it is "ready to join efforts with Southeast Asian countries to develop the Nansha (Spratly) Islands while putting aside for the time being the question of sovereignty," and that it hoped to discuss the Spratlys with Vietnam after the normalisation of Sino-Vietnamese relations.

Soon after Mr. Li's statement, officers from a People's Liberation Army (PLA) institute unveiled details of China's plans for negotiations. These details were generally seen as an elaboration of Mr. Li's position, but in many respects they imposed limits on it.

Whereas Mr. Li had offered talks with Southeast Asian countries generally, the military officials restricted it to claimants to the Spratlys. Their proposal to withdraw military garrisons from the Spratlys clearly favoured China, which has only a small permanent force there but probably the best amphibious capacity for reintroducing troops at a later date.

Their suggestion that an agreement on joint development should be reached only after troops had been withdrawn certainly would have raised the suspicions of the other claimants. One of the officials stressed that China was in no way renouncing its claim over the Spratlys.

Soon afterwards, reports in the Chinese media charged that Vietnam's occupation of islands and reefs in the Spratlys was a "blatant encroachment" upon China's territorial sovereignty and insisted that Vietnam had to withdraw unilaterally, a call that may have left Manila and Kuala Lumpur wondering about Beijing's position on Philippine and Malaysian garrisons on the islands.

On Dec 13, at a news conference in Kuala Lumpur, Mr. Li himself reiterated China's claims to sovereignty over the Spratly Islands.

There appear to be two possible explanations for the difference in these Chinese positions. The first is that Beijing is simply floating proposals to gauge the reaction. While the unofficial nature of the PLA positions would fit with this theory, Mr. Li's earlier official and public proposal does not.

The other possibility is that there is disagreement in Beijing over policy. One motivation for a settlement on the Spratly issue may be that with the imminent ending of the Cambodian conflict, China's special relationship with ASEAN is seen at risk.

Some policymakers may want to remove potential sources of conflict now, while relations are still reasonably good. Other may not be prepared to compromise to any degree.

The two positions identified by members of the military establishment should not be construed as necessarily representing a PLA constituency. However, one may conclude that since these positions, as well as Mr. Li's later position, were progressively more hard line, prospects have receded for constructive multilateral negotiations.

China's March 1988 naval clash with Vietnam resulted in China establishing a small permanent military presence in the Spratlys. This was the culmination of a concerted effort throughout the 1980s to extend the operational range of its South Sea Fleet.

Will China take any more islands? In one respect, China may already have what it wanted—a permanent physical presence in the Spratlys to reinforce its legal claim. Given that occupation of such islands in itself is of little strategic benefit, it may be wise for Beijing to stop there.

China struck at a time when ASEAN attention was still focused on Cambodia, and China's role in opposing Vietnam was still important. The ASEAN response, therefore, was one of muted disapproval. But further incremental advances into the Spratlys may elicit a stiffer ASEAN response, such as restrictions on burgeoning Sino-ASEAN trade, which Beijing would not want to see, especially at a time when it is holding up gains in relations with ASEAN countries as proof of its successful foreign policy.

Whatever China's diplomatic stance and the politics behind it, since 1979 its navy has considerably increased its ability to operate in the South China Sea. Two clashes with Vietnam in 1988 went unchallenged by the latter's warships. The Soviet deterrent was, by then, a dead letter.

China's present ability to project its power into the Spratlys is weak. It would face considerable problems in sustaining operations in a major and extended conflict in the area, even against Vietnam's Navy. Of particular significance is the Chinese lack of air cover and shipboard anti-aircraft systems. The Spratlys are out of range of Chinese fighter aircraft but can just be reached by Vietnamese fighters.

However, the balance is shifting. Technological advances in Chinese warship design, while not state-of-the-art, have substantially improved the navy's war fighting capability.

Perhaps most important has been the recent improvement of China's submarine force which could be used to devastating effect in the South China Sea. China would have a substantial advantage in submarine warfare, because it has conducted by far the most detailed hydrographic surveys of the area.

China's lack of air cover may be mitigated by a likely decline in the operational readiness of the Vietnamese Air Force: Soviet technicians, who are said to have played a major role in servicing Hanoi's combat aircraft, have now been withdrawn from Vietnam.

Moreover, the Chinese navy is trying progressively to improve its shipboard anti-aircraft systems. On several occasions, China has expressed interest in acquiring an aircraft carrier, and it is still considering this option.

In the meantime, it is known to have acquired U.S. mid-air refuelling technology. Estimates of when it could develop an operation capability in mid-air refueling vary from two to five years. While providing fighter cover over the Spratlys using mid- air refuelling would be a tricky operation, a new generation of Western avionics in some of China's fighter aircraft, together with navigational aids in the Paracels and possibly even in the Spratlys, makes it more feasible.

There are evident foreign policy and military reasons for Beijing to eschew enforcing its claims in the South China Sea. But foreign policy considerations are subject to the vagaries of the political scene in Beijing at present, as demonstrated by the various positions on the Spratlys.

Meanwhile, China's military position in the South China Sea is becoming stronger. Does China really want cooperation and a peaceful settlement on the Spratly issue, or does it want to negotiate for tactical advantage, while ultimately relying on superior military power?

While such questions remain, Southeast Asian countries are likely to base their strategic planning for the South China Sea on pessimistic scenarios.

Asian Contries Increase ASEAN Investments

BK0404101291 Singapore THE STRAITS TIMES in English 30 Mar 91 p 36

[Text] There was substantial growth in investments made by Japan and the Asian NIEs [Newly Industrialized Economies] in four Asean countries last year compared to that by investors from the United States and Europe, according to securities research firm Merrill Lynch.

Its publication, Asian Economic Commentary, said that based on official figures, investment commitments by the Asian investors in the Philippines, Thailand, Malaysia and Indonesia grew 37 per cent, 47 per cent, 105 per cent and 119 per cent respectively in 1990.

This meant that on average, roughly 65 per cent of the total foreign investment in the four Asean countries came from Japan, Singapore, Hongkong, South Korea and Taiwan—up from the 63 per cent figure in 1989.

Last year's strong intra-Asian investment flow came "despite slower economic growth and smaller external surpluses in Japan and the Asian NIEs", said Merrill Lynch.

The main draw for the intra-Asian investments continued to be cost differentials. Labour costs in Indonesia were, for example, one-tenth that in the Asian NIEs, said Merrill Lynch.

As long as these differentials in labour, land and other operating costs exist, the less profitable types of industrial activitity—especially lower and medium-end manufacturing—will continue to relocate from Japan and the Asian NIEs to the less developed South-east Asian economies and to China, it added.

By contrast, investors from Europe and the US together accounted for only 14 per cent of the total investment in the four Asean countries last year.

While the European countries committed an average 43 per cent more to the region last year compared to the previous year, US investors cut commitments by 4 per cent.

Merill Lynch suggested that "proximity to the location probably influenced investor decisions".

In terms of investment sources, Japan continued to be the top investor in Southeast Asia with total commitments of US$3.6 billion (S [Singapore] $6.33 bilion) last year. This represented 27 per cent of the total investment commitment in the four Asean countries and was 92 per cent more than in 1989.

However, the Asian newly-industrialising economies (NIEs), collectively responsible for US$4.6 billion worth of commitments in the four Asean countries, proved to be an even more important investment source than Japan.

Together, Singapore, South Korea, Hongkong and Taiwan accounted for 35 per cent of the foreign investment in the four countries last year—a 95-per cent increase from 1989.

Apart from the pull of lower costs, a number of other factors will also influence investment in the coming years, said Merrill Lynch. These include continued deregulation of trade and investment policies.

Among the negative factors that may act as a disincentive to more intra-Asian investment, infrastructure and manpower constraints are likely to head the list, Merrill Lynch added.

All four Asean countries now face some bottlenecks in varying degreees—in areas like electricity, transport and communications—with perhaps only Malaysia marginally better off at this stage, it added.

Thailand, 3 ASEAN States Extend MFA 1 Year

BK0404024791 Bangkok BANGKOK POST in English 4 Apr 91 p 24

[Text] Thailand and three fellow ASEAN-member countries have agreed to extend the Multi-Fibre Arrangement [MFA] due to end in July by another 12 months.

A Commerce Ministry official said the General Agreement on Tariffs and Trade talks had failed to make any progress on this issue, but the imminent expiry of the Multi-Fibre Arrangement (MFA) makes it necessary to find a replacement.

Textiles and clothing is one of the 15 topics listed by the GATT Uruguay Round for liberalisation, but the round ended last year after failing to solve a conflict over farm trade reforms between the United States and European Community.

The official said it may take a long time for any further progress under GATT, and all GATT signatory members agree this would not be before the MFA expires.

He said GATT director-general Athur Dunkell had proposed that GATT members extend the MFA while waiting the outcome of further talks. The proposal was universally accepted, but it remains to be seen how long the extension period will last.

A report from the Thai Commercial Counsellor in Geneva said Singapore, Malaysia and Indonesia had agreed to extend the arrangement for one more year.

After considering this proposal, the Foreign Trade Department proposed that the Commerce Ministry also agree to the extension.

Commerce Minister Amaret Sila-on is expected to agree and the decision of the four countries will stand as the basis for a united ASEAN position to be proposed to the textile negotiating group.

Planning Board Predicts Economic Growth in Area

SK0304013891 Seoul YONHAP in English 0055 GMT 3 Apr 91

[Text] Seoul, April 3 (YONHAP)—Economic growth in the Asian-Pacific region is generally slowing down, but Thailand, Malaysia and South Korea are doing better than their neighbors, the Economic Planning Board [EPB] said Wednesday.

Based on an analysis of country reports submitted to Asia-Pacific economic experts at a meeting in Japan, EPB said the 11 countries in the region would average 3.9 percent growth this year compared with 5.2 percent last year.

Thailand's growth rate would be highest at 9 percent, followed closely by Malaysia's 8 percent, South Korea's 7 percent and Indonesia's 6.5 percent, EPB said.

The United States and Canada were expected to slip backward, registering -0.3 percent and -1 percent growth.

Slow growth is seen for New Zealand (1.3 percent), Australia (2 percent), the Philippines (2.5 percent) and Japan (3.8 percent).

All the countries except Japan and Singapore were likely to see balance of payment deficits, with the red ink spilling over to 3.5 percent of the gross domestic product this year against 2.4 percent last year. The deficit would expand from 0.9 percent of the gross national product last year to 1.4 percent this year, EPB said.

The U.S. economy, which fell into a recession in the latter half of last year, is expected by many to record its worst setback since 1982, but some pundits project a repeat of last year with 0.9 percent growth owing to the end of the Gulf war.

Prices surged 5.4 percent in the United States last year due to high oil prices and inflation will linger around 5.2 percent this year. The deficit is expected to grow from 220 billion dollars last year to 318 billion dollars this year.

The picture is bright for Japan, with inflation slowing to 2.4 percent from last year's 3.1 percent and a 30 billion-dollar current account surplus.

Japan

Kaifu-Gorbachev To Hold 4 Rounds of Talks

OW0504131791 Tokyo KYODO in English 1302 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Prime Minister Toshiki Kaifu and Soviet President Mikhail Gorbachev will have four rounds of talks instead of three as originally scheduled during the Kremlin leader's visit to Japan on April 16-19, Foreign Ministry sources said Friday.

The two leaders will most likely take up the territorial dispute over the Soviet-held islands off Hokkaido at the first round of talks, the sources said. It is unusual, they said, for Japan-Soviet governmental talks to begin with such bilateral issues, and not international affairs.

Gorbachev and Kaifu were originally scheduled to hold talks three times on April 16 and 17, but now they are expected to meet also on April 18 because of possible tough negotiations on the territorial issue, the sources said.

Gorbachev will be the first Kremlin leader ever to come to Japan.

Prime Minister Kaifu Begins U.S. Visit

OW0304233491 Tokyo KYODO in English 2303 GMT 3 Apr 91

[Text] Los Angeles, April 3 KYODO—Japanese Prime Minister Toshiki Kaifu arrived in Los Angeles on Wednesday for talks with U.S. President George Bush.

Kaifu and Bush will meet in Newport Beach near Los Angeles on Thursday and will hold a joint news conference after their meeting.

High on the agenda are global trade, Middle East security, and the Soviet situation, Japanese officials said.

Kaifu will ask Bush to visit Japan before the annual summit meeting of seven major economic powers set for July 15-17 in London.

The Japanese prime minister is scheduled to return home early Saturday.

Meets Vice President Quayle

OW0504002091 Tokyo KYODO in English 2304 GMT 4 Apr 91

[By Shiro Yoneyama]

[Text] Newport Beach, California, April 4 KYODO—Prime Minister Toshiki Kaifu told U.S. Vice President Dan Quayle on Thursday Japan is prepared to extend financial and other forms of aid to Kurdish refugees stranded at the border with Turkey.

Kaifu made the statement during an hour-long breakfast meeting with Quayle at a hotel in Newport Beach, California, a senior Japanese official said.

The official said Kaifu promised to offer "as much aid to the Kurdish refugees as possible" once the refugees were allowed to seek temporary shelters in Turkey.

The breakfast meeting took place ahead of a Japan-U.S. summit between Kaifu and President George Bush in the afternoon.

The United Nations High Commissioner for Refugees (UNCR), Sadako Ogata, has been pressing Turkey to reopen the border with Iraq so that these refugees can receive food and material aid from Japan and other countries.

The selection of Ogata as top refugee aid officer, has helped heighten Japanese awareness of the plight of international refugees around the world.

Quayle, fresh from trips to Kansas City and San Diego, told Kaifu that Japan, now the world's largest donor country, can help the American people understand its aid policy in cooperation with the U.S.

Quayle described Japan as America's "special friend" which is the linchpin of peace and stability in the Asia-Pacific region, the Japanese official said at a news briefing.

Unable to reach consensus at home on the dispatch of military or support personnel to join the multinational forces in the Persian Gulf War, Japan had limited its involvement in the crisis to the provision of money and materials.

Quayle related to Kaifu the widespread perception in the U.S. that Japan did not shoulder its fair share of the multinational burdens in the war.

Kaifu, in an attempt to mitigate the American criticism of Japan's contributions to the war efforts, told Quayle that Japan will provide "appropriate assistance" to Latin American countries, the senior Japanese official said.

"Japanese-U.S. relations are the most important bilateral relationship for Japan," Kaifu reportedly told Quayle.

Quayle stressed to Kaifu the need for the successful conclusion of the Uruguay Round of Multilateral Trade Talks under the General Agreement on Tariffs and Trade (GATT), the official said.

Meets With President Bush

OW0504024591 Tokyo KYODO in English 0124 GMT 4 Apr 91

[Text] Newport Beach, California, April 4 KYODO—Japanese Prime Minister Toshiki Kaifu and U.S. President George Bush agreed Thursday to cooperate in bringing a successful conclusion to multilateral trade talks on liberalization of trade in agriculture and other areas.

Speaking to reporters after two hours of summit talks, Kaifu said he told Bush that Japan would work with the U.S. and the European Community (EC) to resolve the rice issue.

The United States has been pressuring Japan to abandon its virtual ban on rice imports to help break a deadlock in the Uruguay Round of talks, conducted under the General Agreement on Tariffs and Trade (GATT).

Bush gave an upbeat appraisal to bilateral trade relations, citing recent improvements in an area that has long been a source of friction in relations between the two countries.

The U.S. deficit with Japan has fallen for the past three years, and Japan's imports of U.S. products are up 75 percent since 1987, Bush told a joint news conference.

He said many Americans would be surprised to learn that Japanese buy more goods from the U.S. per capita than Americans buy from Japan.

Progress has been made on some trade disputes such as wood products and telecommunications, but other areas such as the construction market need more work, he said.

Bush offered "profound thanks" for Japan's 11 billion dollar contribution to support the U.S.-led multinational forces that forced Iraq out of Kuwait and to the frontline Gulf nations hit by the war.

Kaifu paid tribute to Bush for his leadership in the Persian Gulf war, which he said demonstrated that the United States is the only superpower capable of playing a leadership role in the post-Cold War world in a responsible way.

But he said Japan's contribution has not been properly appreciated.

"I firmly believe that we have to rectify this situation," he said.

Bush, in response to a question, said Japan could improve its image in the United States by helping make the Uruguay Round a success, helping the Kurdish victims of what he called Iraqi leader Saddam Husayn's aggression, and contributing to economic reconstruction in the Persian Gulf.

In an earlier meeting with Vice President Dan Quayle, Kaifu said Japan would provide assistance to Kurdish refugees who have fled to Turkey.

Turkish President Turgut Ozal said Thursday that 100,000 Kurdish refugees have crossed into his country, and more are on their way.

During the summit, Kaifu said he also explained the upcoming trip to Japan by Soviet President Mikhail Gorbachev, and developments in talks with North Korea on normalizing bilateral relations.

The possibility of Japan providing economic and technological cooperation to Moscow was not discussed, Kaifu said, noting that the most important issue for Japan is the return of four islands off Hokkaido occupied by the Soviet Union since World War II.

The summit, held in this seaside resort town outside of Los Angeles, was arranged after Bush postponed a trip to Japan due to his busy schedule following the outbreak of the Persian Gulf war.

The meeting was arranged at the request of Kaifu, who wanted to meet with Bush before Gorbachev's planned April 16-19 visit to Japan, the first by a Kremlin leader.

Kaifu is to return to Japan early Saturday to hit the streets on the final day of campaigning for Sunday's nationwide local elections.

News Conference Held on Talks

OW0504063691 Tokyo KYODO in English 0413 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Chief Cabinet Secretary Misoji Sakamoto said Friday Prime Minister Toshiki Kaifu and U.S. President George Bush confirmed the friendly relations between their nations in their meeting in Newport Beach, California.

Sakamoto told a daily press conference, "the summit meeting between the two leaders confirmed friendly Japan-U.S. relations, which can solve any problems through talks."

On the issue of Japan's closed rice market, the government spokesman said, "the final conclusion will be made in the course of the Uruguay Round of trade talks...although the problem may be taken up in bilateral negotiations" as well.

In the two-hour summit Thursday at a hotel in the seaside resort town outside Los Angeles, Bush called on the prime minister to lift Japan's virtual ban on rice imports.

In a joint press conference after the talks, Kaifu and Bush said they agreed to strive for the successful conclusion of the multilateral Uruguay Round trade talks, which have been stalled over support measures for farm products.

Referring to Kurdish refugees fleeing the civil war in Iraq, Sakamoto expressed Japan's readiness to cooperate with international organizations in helping them.

Rice Issue Discussed

OW0504064791 Tokyo KYODO in English 0318 GMT 5 Apr 91

[By Shiro Yoneyama]

[Text] Newport Beach, California, April 4 KYODO—U.S. President George Bush called Thursday on Japanese Prime Minister Toshiki Kaifu to open up the Japanese rice market to bring about the successful conclusion of global trade liberalization talks.

Emerging from over two hours of talks at a hotel in Newport Beach, a resort town in California, Bush said at a joint news conference, "Yes, we would like to have access to the Japanese rice market."

"The overriding point is, we both realize that we must have a successful conclusion to the Uruguay Round, and to do that, agriculture must be included," Bush told reporters.

Kaifu said he and Bush recognized "the importance of close cooperation between Japan and the U.S. to bring the round to an early and successful conclusion."

He said he told Bush, "Let us endeavor together to resolve the issue of rice together with the other issues" causing "difficulties for other countries in the context of the Uruguay Round."

A senior Japanese official said Kaifu stressed to Bush the role of rice in Japanese society in their hourlong summit, which was followed by a 70-minute luncheon meeting.

But with local elections approaching Sunday, Kaifu declined to elaborate on the rice issue, a sensitive topic in Japan because of the commodity's role in many aspects of society and the importance of the agricultural vote in keeping the ruling Liberal Democratic Party in power.

Kaifu requested the summit with with Bush to solidify the Japan- U.S. relationship, tarnished by criticism of Tokyo's response to the Iraqi invasion of Kuwait.

Japan has come under fire for failing to send personnel to the Persian Gulf, and for its alleged slowness in providing financial assistance to the U.S.-led allied forces that defeated Iraq.

At the news conference, Bush expressed his "profound" appreciation for the Japanese contribution of 11 billion dollars to the multinational forces and the Gulf nations severely hit by the war.

"Japan has provided a substantial level of financial support for Operation Desert Storm," the President said.

Kaifu praised Bush as "the great leader" and said, "The Gulf crisis has demonstrated beyond anybody's doubt that the U.S. is the only superpower with the capability to play the most important role in the post-Cold War world and to do so in a responsible way."

In a fresh bid to show Japan's willingness to commit itself to peace and stability in the Middle East, a Japanese official said Kaifu told Bush that Japan now considers the Arab boycott of Israel "undesirable."

Additionally, Kaifu and Bush pledged to work closely to help the Kurdish refugees.

Asked if the U.S. is abandoning the Kurdish rebels, fighting Iraqi President Saddam Husayn's troops, Bush said, "I condemn Saddam Husayn's brutality against his own people.

"But I do not want to see U.S. forces, who have performed with such skill and dedication, sucked into a civil war in Iraq," he added.

In a breakfast meeting with Vice President Dan Quayle, Kaifu expressed Japanese readiness to offer financial and material support for the Kurdish refugees stranded along the Turkish border.

Kaifu repeated the Japanese intention in his subsequent talks with Bush, who said at the news conference that U.S.-Japan cooperation on the refugee issue would help improve Japan's image in the U.S.

"The relationship is fundamentally sound," Bush insisted. "What will it take to make it better? The successful conclusion of the Uruguay Round, to which we're both committed, would help.

"Working together with Japan to alleviate the suffering of these Kurdish victims of Saddam's brutality—that will help," Bush told reporters.

In a statement issued by the White House, Bush recalled his last California summit with Kaifu, in Palm Springs.

"Since then, we closed the last chapter on the Cold War," he said in the statement. "We built a coalition that rescued a tiny nation from a terrible fate. We defended an ideal that is good and right and just.

"But our work is far from finished," Bush said. "With change comes new challenges—for both our nations—with global implications for growth, stability, and peace."

Bush mentioned construction services, autos and auto parts, and semiconductors as areas where the two countries need to move ahead.

Additionally, he called the Structural Impediments Initiative (SII) "our best hope of fending off those who advocate managed trade between our nations."

During the news conference at the heavily guarded Four Seasons Hotel, Kaifu promised Japanese involvement in environmental protection, arms control, and disarmament in the Gulf region.

"There are numerous roles that can be played for the purpose of peace in that region," he said.

Kaifu said he explained plans for Soviet President Mikhail Gorbachev's scheduled April 16-19 trip to Tokyo in "general terms" to Bush.

"We did not discuss specifics such as technological assistance or economic assistance," he said, adding that he also told Bush about Japan's normalization talks with North Korea.

Kaifu and Bush shared concern about North Korea's alleged nuclear weapons development program, Japanese officials said.

The officials said Kaifu repeated his invitation for Bush to come to Tokyo as a state guest.

A senior Japanese official said Bush expressed his wish to visit Japan at "an early date," but was not specific about the timing.

Rice Discussion Viewed

OW0504073191 Tokyo KYODO in English 0712 GMT 5 Apr 91

[By Shiro Yoneyama]

[Text] Newport Beach, California, April 4 KYODO—Before Thursday's Japan-U.S. Summit here, aides to Prime Minister Toshiki Kaifu confidently predicted that rice would not be a dominant subject for discussions.

But President George Bush had other ideas.

As the Japanese Premier nervously looked on at a joint news conference after the talks, Bush said he and Kaifu has had a "full discussion" about the rice issue.

"Yes, we would like to have access to the Japanese rice market," Bush said. "Yes, Prime Minister Kaifu explained the complications that he faces in Japan on this question."

Facing tough local elections Sunday, including the divisive Tokyo gubernatorial contest, Kaifu was short on specifics but told reporters, "let us endeavor together to resolve the issue of rice."

"The rice question is one of the issues casting dark shadows over Japan-U.S. relations," a high-ranking Japanese official quoted bush as telling Kaifu, who traveled to California in the hope of improving bilateral relations, which have been severely strained in recent months.

The official said Bush acknowledged Japan's difficulty in liberalizing its rice market but stressed that Japan must address the issue for the successful conclusion of the Uruguay Round.

In Tokyo, Chief Cabinet Secretary Misoji Sakamoto told a news conference Friday, "a final conclusion to the issue will be made in the course of the Uruguay Round" of multilateral trade talks, "although the problem may be taken up in bilateral negotiations as well."

Kaifu arrived for the summit certain that the President would not raise an incident at a food fair in Chiba Prefecture last month in which U.S. rice industry officials were threatened with arrest for displaying a small quantity of American rice.

His confidence was based on a series of high-level meetings that Japanese Ambassador to the U.S. Ryohei Murata held to deflect presidential anger over the episode.

Bush was so angry about the arrest threats that he took up the matter in a March 21 meeting with Japanese Foreign Minister Taro Nakayama.

Murata and other Japanese officials told U.S. officials the Japanese side of the story, saying the U.S. rice officials were in violation of Japanese food control laws.

But none of the Japanese was successful in defending the Japanese rice import ban, which many Americans see as an unfair and out-of- date trade barrier.

As Agriculture Secretary Edward Madigan wrote agriculture Minister Motoji Kondo after the trade fair incident, "this week my wife purchased a Panasonic vacuum cleaner at the same time that our products were being barred from an educational display in your country."

In Newport Beach, Kaifu told the press after meeting Bush, "what I said was that, regarding the Uruguay Round, we recognize the importance of close cooperation between Japan and the U.S. to bring the Round to an early and successful conclusion."

His statement was almost identical to remarks made repeatedly by Japanese Government leaders and bureaucrats ever since the launching of the Uruguay Round in 1986.

Former U.S. Trade Representative Clayton Yeutter rejected two section 301 petitions filed in 1986 and 1988 against Japan's rice import ban.

Then came Japan's highly unpopular decision at a GATT ministerial meeting on the Uruguay Round last December to torpedo talks on global farm reform.

Japanese officials maintain that Japan was misunderstood, while U.S. trade officials say Japan has not offered a clearcut explanation.

Some U.S. officials believe Yeutter should have accepted a U.S. rice industry petition in 1988 to negotiate the opening of the Japanese rice market in light of Japan's continued refusal to liberalize its rice market.

Asked by an American reporter how Japan can overcome its image problem in the U.S., Bush replied, "the successful conclusion of the Uruguay Round, to which we're both committed, would help."

He was quick to add that a Japanese role in aiding the Kurdish refugees and in helping to bring about peace and stability in the Persian Gulf region and the reconstruction of Kuwait would help as well.

Bush needs all the help he can get from Japan and other trading partners to persuade congress to extend fast track authority, which facilitates speedy ratification of trade agreements such as a Uruguay Round pact and a North American Free Trade agreement with Mexico and Canada.

Kaifu came to this seaside resort determined to help improve his friendship with Bush, one of his few trump cards in the battle to hold onto Japan's top political post.

With his political future increasingly unclear, Kaifu now has a chance to tell his countrymen and women it's time for Japan to bear its fair share in the world by opening up its rice market.

While such a comment would make the White House happy, it would be unlikely to please the farmers whose votes are crucial to Kaifu's Liberal Democratic Party hold on power.

U.S. Media Coverage Viewed

OW0504053291 Tokyo KYODO in English 0357 GMT 5 Apr 91

[Text] Newport Beach, California, April 4 KYODO—Prime Minister Toshiki Kaifu went to meet President George Bush in California on a mission to improve American perceptions of Japan, but the U.S. media appeared to be too preoccupied with other world events to take much notice.

Kaifu, standing side-by-side with Bush, waited patiently for questions from U.S. reporters, but none was forthcoming.

Bush, visibly angry at questions from the Washington press corps over his refusal to assist Kurdish rebels being crushed by Iraqi Government forces, had to prompt the American reporters to turn their attention to Kaifu.

"Can we get one from the U.S. side for Prime Minister Kaifu? The Americans keep shooting at me. I want them to fire one at Prime Minister Kaifu," Bush quipped after declaring himself the "self- appointed coordinator."

The call offered a rare opportunity to obtain off-the-cuff remarks from Kaifu—who, in Tokyo, usually fields prearranged questions at news conferences virtually scripted in advance.

Kaifu pledged that Japan would be "always with America, standing together as firm allies and friends across the Pacific," but not everyone in the U.S. seems to see it that way.

While Bush was telling reporters that the two leaders had agreed to combat both "Japan-bashing" and "America-bashing," America's CABLE NEWS NEWORK (CNN) was telling a different story.

CNN, known for its coverage of virtually every briefing during the Persian Gulf War, skipped the news conference. Instead, it broadcast comments by conservative commentator Pat Buchanan accusing Japan of trying to reenact its 1930s strategy of imperial expansion, this time on the economic battlefield.

Appearing on "Crossfire," a weekly program pitting conservatives and liberals on current affairs, the former aide to Republican presidents Richard Nixon and Ronald Reagan alleged that Japan is following a systematic strategy of seeking out and conquering foreign markets.

Kaifu, in a demonstration of familiarity with Bush following their fifth summit meeting, broke with Japanese custom and addressed the U.S. President as "Georgie" at the beginning of his statement to the press.

In Japan, it is considered rude and disrespectful to refer to anyone but the most intimate friend or family member by his first name.

Later in the press conference, Bush responded in kind, calling the prime minister "Toshiki."

MITI Minister Praises Results of U.S. Talks

OW0504043691 Tokyo KYODO in English 0248 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—International Trade and Industry Minister Eiichi Nakao on Friday called it significant that U.S. President George Bush said clearly in front of the American people that a firm coalition including Japan functioned well in rebuffing Iraq's "peace-disturbing action" in the Middle East.

Referring to the joint press conference between Prime Minister Toshiki Kaifu and Bush in California, Nakao said it would have been better for the Japanese people if Bush had mentioned Japan's contribution to the coalition efforts to solve the Persian Gulf crisis before discussing bilateral trade issues.

Nakao made the remarks at a press conference after a regular cabinet meeting.

Business Leaders Praise U.S. Talks

OW0504062791 Tokyo KYODO in English 0515 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Business leaders praised the Japan-U.S. summit meeting, which they believe succeeded in confirming the health of the crucial bilateral partnership.

"The summit meeting is meaningful in that the heads of both countries reaffirmed their good partnership at a time when the bilateral ties have been undergoing new changes after the Persian Gulf war," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren).

With the Gulf war over, Washington has been renewing pressure on Japan to open its markets, particularly for rice imports.

Eiji Suzuki, president of the Japan Federation of Employers' Associations, also said, "We welcome that the summit meeting discussed the rice problem and the Uruguay Round of global trade talks."

At the two-hour summit talks, held in Newport Beach, California, earlier in the day, Prime Minister Toshiki Kaifu and U.S. President George Bush agreed to cooperate in achieving a successful conclusion to the multilateral trade talk under the General Agreement on Tariffs and Trade (GATT).

Kaifu promised Bush that Japan would work with the U.S. and the European Community (EC) to resolve the rice issue.

Agriculture Minister Defends Rice Import Ban

OW0504045991 Tokyo KYODO in English 0342 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Motoji Kondo, Japanese minister of agriculture, forestry, and fisheries, on Friday repeated that Japan will not give in to U.S. demands for an end to its virtual ban on rice imports.

"There is no need for Japan to alter its rice policy," Kondo told a press conference after a cabinet meeting.

His remarks came on the heels of the summit in Newport Beach, California, between Prime Minister Toshiki Kaifu and U.S. President George Bush, at which the rice issue was discussed.

Bush told a press conference after the summit, "Yes, we would like to have access to the Japanese rice market."

He added, "The overriding point is that we both realize that we must have a successful conclusion to the Uruguay Round, and to do that agricultural issues must be included."

Kaifu told reporters that Japan would work with the U.S. and the European Community (EC) to resolve the rice issue "together with the other issues" blocking agreement in the multilateral trade talks.

In Tokyo, Kondo indicated the rice issue should be handled differently from other farm disputes such as subsidies, the largest dispute between the EC and food exporters such as the U.S. in the Uruguay Round talks.

U.S. officials also see Japan's ban on rice imports as a roadblock to agreement in the talks.

"I understand each country has difficult problems. But, what makes distinguishes Japan is that we are food importers," Kondo said.

But, conscious of mounting U.S. complaints against Japan's closed rice market, he said Japan will step up efforts to improve its image among U.S. Congress and farmers.

Official Says U.S. Given Payment on Gulf Aid

OW0504163391 Tokyo KYODO in English 1450 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—A senior Foreign Ministry official said on Friday the government has paid 1,079 billion yen to the United States out of a 1.17 trillion yen package earmarked for the allied forces in the Persian Gulf war.

Yutaka Kawashima, deputy director general of the ministry's North American Affairs Bureau, also told the House of Councillors Budget Committee that Britain had received 39 billion yen of the Japanese aid.

The money was transferred on Tuesday through the Gulf peace fund of the Gulf Cooperation Council, Kawashima said.

The amount paid to the U.S. was equivalent to 7.8 billion dollars, instead of 9 billion dollars Washington had earlier expected.

Japan pledged in late January to provide 9 billion dollars in additional aid to the allied war effort. Under the prevailing exchange rate, that amount translated into 1.17 trillion yen—the sum the Japanese Government used in obtaining budgetary authority from the Diet.

'Orderly' Car Exports to U.S. To Continue

OW0504084291 Tokyo KYODO in English 0817 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—The Ministry of International Trade and Industry said Friday its policy of maintaining "orderly" car exports to the United States will remain unchanged.

The ministry made known its stand in response to a remark by U.S. President George Bush, specifically referring to automobiles and automotive trade as a pending issue between Japan and the United States.

Bush also referred to construction and trade in semiconductors at a joint news conference in Newport Beach, California, on Thursday following his summit talks with Japanese Prime Minister Toshiki Kaifu.

Ministry officials said Japan will maintain orderly car shipments to the United States within the framework of Japan's voluntary export controls.

Japan limits its car sales to the United States to 2.3 million vehicles a year.

The officials said Bush's remark underscored growing concern within the U.S. auto industry facing a serious business slump.

The officials said Japan will try to expand imports of U.S. auto parts to ease mounting pressure on Japan to further slash its export quota.

They noted that the Japanese and U.S. automotive industries will hold a joint conference in Chicago on April 10-11 to discuss ways to strengthen their cooperation and Japan's auto parts imports from the United States.

The conference will be followed by an informal session in Washington on April 15 to formulate a plan to strengthen bilateral cooperation to meet changing market trends, they said.

Japanese car industry sources viewed Bush's reference to the automobile issue as an indirect appeal for Japan to exercise self-restraint on exports to the United States and sales campaigns in the U.S. market.

Takashi Ishihara, chairman of Nissan Motor Co., said Japanese and U.S. automobile industries should engage in thorough discussions to solve the issue.

The electronics industry expressed concern the United States may pressure Japan to conclude a new semiconductor trade agreement.

Negotiations are under way to conclude a new arrangement to replace the existing one, which expires in July.

The United States wants Japan to commit itself to raise the market share of foreign-made semiconductors to 20 percent from the present level of around 11 percent.

Industry officials said the U.S. demand is unacceptable as Japanese users have been trying to increase imports of foreign semiconductors at their own expense.

The construction industry will hold negotiations with U.S. contractors in Tokyo on April 15-16 on ways to make Japan's construction market more open to foreign firms.

The proposed opening of the Kansai international airport project to foreign contractors will be discussed at a meeting preparatory to the U.S.-Japanese businessmen's forum slated for May 11-12.

Nagasaki, Hiroshima Send U.S. Protest Letter

OW0504084491 Tokyo KYODO in English 0811 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—The atom-bombed cities of Nagasaki and Hiroshima sent a letter of protest Friday to U.S. Ambassador to Japan Michael Armacost about U.S. underground nuclear testing in Nevada on Thursday, city officials said.

The Nagasaki protest said the United States will stir up competition among the nuclear powers as long as it continues to test nuclear weapons, negatively influencing future disarmament negotiations.

Hiroshima demanded an immediate ban on nuclear testings, saying they are reckless acts ignoring international public opinion that hopes for peaceful coexistence and prosperity.

The U.S. Energy Department announced it conducted an underground nuclear testing in Nevada on Thursday. The scale was 20 to 150 kilo-tons, the department said.

It was the second U.S. underground test for the year after one March 8. A total of 709 nuclear experiments have been carried out in Nevada.

Nagasaki and Hiroshima, the two Japanese cities atomic-bombed in 1945, have made a total of 408 and 505 protests, respectively, against nuclear testings.

Government Urges Iraq To Stop Inhumane Actions

OW0504082291 Tokyo KYODO in English 0814 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Japan on Friday urged Iraq to stop "inhumane actions" against Kurds, who have begun a mass exodus into neighboring Iran and Turkey as their month-long uprising against President Saddam Husayn's rule has been militarily quelled.

A Foreign Ministry spokesman said in a statement that there is an urgent need of international help to Kurdish refugees and that Tokyo is considering giving as much assistance as possible.

The statement said the Japanese Government expressed deep concern from a humanitarian viewpoint over the mass exodus of mainly Kurdish refugees from Iraq.

It urged the Iraqi Government to stop immediately "its inhumane actions against its nationals," which has caused the refugee problem, and enable them to return to home districts without fear.

Iraq was criticized for having used deadly chemical weapon against the nation's northern minority Kurds during the Iran-Iraq war to suppress their long independence movement.

Japan would give aid after appraising measures to be taken by Turkey, Iran, and the United Nations Disaster Relief Coordinator's Office (UNDRO), the ministry statement said, without specifying the possible assistance.

Earlier Friday, Japanese Prime Minister Toshiki Kaifu and U.S. President George Bush agreed in their meeting in California that the two nations work closely to help the Kurdish refugees.

Reports from Iran said an estimated 1.5 million Kurds are fleeing for Iran and another 220,000 to Turkey, accelerated by intensified Iraqi military actions against them after Washington confirmed it would not intervene in the civil war.

Malaysia Trade, Industry Minister Begins Visit

OW0404111591 Tokyo KYODO in English 1103 GMT 4 Apr 91

[Text] Tokyo, April 4 KYODO—Malaysian International Trade and Industry Minister Rafidah Aziz told Foreign Minister Taro Nakayama on Thursday that Malaysia's idea for a new East Asia economic grouping does not envision the formation of a new trading bloc, Foreign Ministry officials said.

Officials said Rafidah told Nakayama the new forum would merely be a loose grouping within the existing Asia-Pacific Economic Cooperation (APEC) Forum, which will discuss how to promote trade. She said it would not even have a secretariat.

Officials said Nakayama did not commit Japan to the Malaysian proposal, suggesting that it be discussed further among the Association of Southeast Asian Nations (ASEAN).

Nakayama was quoted as responding that he understands the background behind the idea, namely the rough sailing of the Uruguay Round of multilateral trade talks, the integration of the European Community into a single market, and the promotion of a free trade zone in North America.

Rafidah has been in Tokyo since Wednesday for a four-day visit to brief Japanese Government leaders, including her counterpart Eiichi Nakao, on the trade group proposal. Japan is the first country outside ASEAN to be officially presented with the idea.

In a meeting with Japanese reporters in Kuala Lumpur on Monday, she said Southeast Asian countries expect Japan to play a leading role in maximizing the economic potential of the region when the proposed East Asian Economic Group is set up.

The proposal came from Malaysian Prime Minister Mahathir Mohamad, who hopes to give East Asian countries greater negotiating leverage in world trade talks.

Rafidah will travel to South Korea from Japan next week before returning home on April 11, and will probably visit China in July. These countries have been mentioned among likely members of the group.

Japan has remained cautious toward the proposal for fear it could spur growing regionalism in trade and possibly fuel protectionism.

Meets Officials on Proposal

OW0504061591 Tokyo KYODO in English 0531 GMT 5 Apr 91

[By Mitsuru Mabuchi]

[Text] Tokyo, April 5 KYODO—Malaysia's proposal to establish a regional trade zone among East Asian countries has met with a cool response in Tokyo.

Visiting Malaysian International Trade and Industry Minister Rafidah Aziz was politely told by Tokyo officials that Japan sees no good reason to establish a trade grouping that could be perceived by the Americans and Europeans as a scheme to rival their own regional trade zone programs.

Rafidah's Japanese counterpart, Eiichi Nakao reminded her in a meeting Friday that economic relations with the U.S. are essential to the entire region and that nothing should be done to undermine the efforts to keep Washington's often Europe-oriented attention on the region, said Hirokazu Okumura, director of MITI's South Asia- East Europe Division.

Nakao also pointed out there are concerns in some countries—which Okumura named as the U.S., Australia, New Zealand, and Canada—that the grouping could lead to an exclusive trade bloc, a suggestion which Rafidah repeatedly refuted.

"Our basic position is there is already APEC (Asian-Pacific Economic Cooperation), and that includes the U.S., Australia, Canada, and New Zealand," Okomura said.

"We are cautious about the proposal," he added.

Rafidah is here seeking Tokyo's support for the so-called East- Asian Economic Grouping (EAEG), which was first mooted by Malaysian Prime Minister Mahathir bin Mohamed last December.

EAEG would knit members of the Association of Southeast Asian Nations (ASEAN), Japan, China, South Korea, and other East Asian countries into a loose grouping of trade partners.

Foreign Minister Taro Nakayama, who met Rafidah Thursday, did not commit Japan to the proposal, suggesting it should be discussed further among the ASEAN.

Among ASEAN members, Indonesia is reportedly skeptical about the EAEG. Other ASEAN nations are Singapore, Thailand, the Philippines, and Brunei.

And the U.S., which would be excluded from membership, has made it clear that it does not approve of the idea.

The Mahathir initiative is aimed at securing negotiating leverage for the region in the current round of multilateral trade negotiations being held under the General Agreement on Tariffs and Trade (GATT), and in other trade forums.

It was prompted by Mahathir's concerns about increasingly strong trends toward regionalism, as manifested in the moves of the European Community (EC) toward a single market and the U.S. ambition to formulate a pan-American free trade zone, as well as by indignation over alleged "economic arm twisting" by the Western industrial countries.

Mahathir commented, in a recent international conference in Bali, that "the erstwhile free traders of the West are opting for a controlled international marketing system," citing both the EC and the U.S. plans.

A document drawn up by the Malaysian Government on the EAEG proposal stressed "the increasing tendency to set up trade groupings which will continue even if the Uruguay Round was to eventually succeed" and promoted "the need for a counterweight."

"East Asia as an economic power should have political-economic clout which is presently lacking. Japan cannot do it alone, nor can ASEAN. Jointly, and with other like-minded countries, this could be possible," the document says.

The actual formation of EAEG would be a two-stage process.

The first stage would be "formation of a like-minded group of countries that have common interests in specific areas of trade vis- a-vis GATT and the Uruguay Round."

The second phase would consist of "a formalization of trade and economic links which would spur trade and investments in the East- Asian region," according to the document.

Japanese trade officials view the proposal as a potentially dangerous diplomatic game which could backfire and add weight, albeit unintentionally, to the protectionist trend.

They also feel there is little point in merely formulating a smaller version of APEC.

A MITI official said, "We would not like to throw weight behind the scheme whose merits are dubious, running the risk of miffing Washington at the very moment Japan's lack of leadership in the Uruguay Round is drawing fire."

Further on Philippine Defense Secretary's Visit

OW0404113491 Tokyo KYODO in English 1117 GMT 4 Apr 91

[Text] Tokyo, April 4 KYODO—Philippine Defense Secretary Fidel Ramos told Japanese Defense Agency Chief Yukihiko Ikeda on Thursday that he would not object to Japan's Self-Defense Forces (SDF) serving overseas, an agency spokesman said.

Ramos said he has been asked in meetings with former Prime Minister Yasuhiro Nakasone and other senior politicians his views on the possibility of dispatching Japanese military personnel overseas.

"In my personal opinion, I don't think there is any problem, especially if they are joining United Nations peacekeeping forces," Ramos was quoted as saying in the first meeting ever between defense chiefs of the two countries.

Ramos told Ikeda that the matter is for Japan to decide.

Ikeda replied that public opinion in Asia will serve as a reference in deciding whether to send SDF personnel overseas.

Japanese public opinion in favor of sending SDF members abroad for peaceful reasons seems to be growing stronger, Ikeda said.

In response to Iraq's invasion of Kuwait last August, the Japanese government proposed legislation paving the way for SDF personnel to perform noncombat activities in U.N.-sanctioned military operations.

The bill was killed last November following strong protests from opposition parties. The plan was also poorly received by the public, which at the time disapproved of the government's support for the U.S. position.

Surveys conducted after the U.S.-led multinational forces' victory in February, however, showed a majority in support of the war, as well as Japan's nearly 11 billion dollar contribution to the military effort.

Commenting on the expected renewal of a U.S. lease agreement for military bases in the Philippines, Ikeda said an American presence is essential to maintain stability in the Asia-Pacific region.

Ikeda was quoted as saying in the 45-minute meeting that, under the constitution, Japan cannot play a military role overseas.

Ramos expressed understanding of the restrictions imposed by Japan's war-renouncing Constitution. Japan's contribution to regional stability should be through economic aid and technology transfers, he said.

Ramos, who recently announced his intention to run for president in May 1992 elections, is in Japan through Sunday as a guest of Michio Watanabe, leader of one of the major factions of the ruling Liberal Democratic Party.

Seeks Weapons Technology Transfer

OW0504084391 Tokyo KYODO in English 0830 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Philippines Defense Secretary Fidel Ramos on Friday urged Japan to provide Southeast Asia with weapons manufacturing technology.

"We do not have any unusual or big fears about the ... alleged growing militarization of Japan," Ramos told a luncheon at the Foreign Correspondents club of Japan.

Ramos said Japan should take a "step-by-step" approach to boosting its defense relations with the countries of Southeast Asia.

One way for Japan to contribute to regional stability would be to help the six member countries of the Association of Southeast Asian Nations (ASEAN) to improve their capabilities to produce weapons such as those used by infantry soldiers.

"We are not talking about production of very high technology defense equipment," Ramos said. "This is really an extension of ASEAN economic cooperation."

ASEAN consists of Indonesia, Thailand, Malaysia, Singapore, Brunei, and the Philippines.

Japan bans the export of weapons but has entered into military technology transfers with the United States.

Ramos suggested that it would be too costly for the Philippines to defend itself after the expected expiration in seven years of a lease for use of U.S. military bases, now under negotiation.

An outlay of 6 to 7 billion dollars over 10 years would be necessary to become self-reliant in defense, an amount that is "well beyond" the Philippines' means, he said.

Ramos hinted that other countries in the region that benefit from the U.S. presence in the Philippines should support the bases.

"We have an arrangement between the Philippines and the U.S. and there is such an arrangement between Japan and the U.S. but what about between Japan and the Philippines? What about between Japan and some other countries?" He said.

Turning to his plans to run for President in May 1992 elections, Ramos, 63, said that, if elected, he would encourage foreign investment to help sustain antipoverty programs.

On land reform, he said not to expect any quick solutions. Ramos said he would continue the government's current approach to family planning by providing information on family planning to married couples, and encouraging people to move from overcrowded urban areas to rural areas.

Ramos, here through Sunday at the invitation of Ruling Liberal Democratic Party faction leader Michio Watanabe, said he would be at a disadvantage in the race for president because he has more limited financial resources than some of his opponents.

The general who led a military revolt against former Philippine President Ferdinand Marcos, announced his intention to run for the presidency last month.

Asked what kind of president he would make, Ramos replied "a damn good" one.

Kaifu Plans 10-Day ASEAN Tour From 27 Apr

OW0504094591 Tokyo KYODO in English 0935 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Prime Minister Toshiki Kaifu plans to visit Malaysia, Singapore, Brunei, the Philippines, and Thailand between April 27 and May 6, government sources said Friday.

An earlier scheduled tour by Kaifu of the same five countries of the Association of Southeast Asian Nations (ASEAN) was canceled in January due to the Persian Gulf war.

Indonesia, the sixth member of the six-nation ASEAN group, will be bypassed because the prime minister paid a visit there in May last year, the sources said.

During the projected trip, Kaifu is expected to discuss with leaders of the various countries a peaceful solution to the Cambodian conflict and exchange views on how to contribute to the war-torn Gulf region and strengthen friendship and trust with ASEAN countries.

He is also expected to sound out these nations' reactions to a planned trip to Thailand, Malaysia, and Indonesia in fall by Emperor Akihito and Empress Michiko, their first overseas tour after the Emperor's enthronement ceremony last November.

Vanuatu Prime Minister Visits Tokyo

BK0104075891 Melbourne Overseas Service in English 0500 GMT 1 Apr 91

[Text] The chairman of the South Pacific Forum [SPF], Father Walter Lini, has asked Japan to play a bigger role in post-Forum dialogue meetings as well as tourism and trade promotion in the region.

Radio Vanuatu says the request was put to the Japanese Prime Minister Mr. Kaifu during a meeting in Tokyo.

Father Lini, who is Vanuatu's prime minister, also asked for Japanese assistance for the establishment of a South Pacific Trade and Tourism Office in Tokyo. As well, he asked the Japanese Government to consider providing a tourism development fund to be administered by the Forum.

In [words indistinct], both prime ministers expressed satisfaction with the present cooperation between Japan and the South Pacific. Mr. Kaifu said relations between Japan and the Forum countries shall be further enhanced by their participation in the forthcoming industrial fair in Tokyo.

Cabinet Endorses Report on Food Self-Sufficiency

OW0504023991 Tokyo KYODO in English 0144 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Prime Minister Toshiki Kaifu's Cabinet endorsed on Friday an annual report urging a halt to the downward trend of Japan's food self-sufficiency ratio, because of fears of instability in world supply of farm products.

The White Paper on Agriculture for fiscal 1990, presented by Agriculture, Forestry, and Fisheries Minister Motoji Kondo, said the country's food self-sufficiency ratio on a calorie basis dropped from 79 percent in 1960 to 48 percent in 1989.

The ratio is the lowest among industrial nations and Japan has become the world-largest net importer of farm products, the report said.

The 323-page report attributed the dramatic decline mainly to lower consumption of rice and increased imports of feed grains and soybeans because of rapidly changing diets.

Per capita rice consumption dropped to 70.1 kilograms in 1989 from 114.9 kilograms in 1960, and imports of feed grains and soybeans skyrocketed to 7.96 billion dollars from 610 million dollars in the same period.

"Dietary patterns have changed and people eat less rice but more livestock products and fruit," the report said.

The decreasing trend in rice consumption caused overproduction, meaning about 30 percent of the total paddy area is subject to "supply control" measures, implemented since 1971, it said.

Touching on foreign calls to open the rice market, Osamu Abe, a ministry researcher, said Japan has no intention of importing foreign rice since it is an essential staple food for Japanese.

Japan imports about 50,000 tons of rice annually for industrial use, equivalent to 1 percent of overall consumption.

Asked about the necessity of the nearly 40-year-old government- controlled rice distribution system, Abe stressed the need for stable prices, saying, "it is important to enable anyone to buy rice anywhere at low prices."

But the amount of rice distributed under the "jishuryutsu" (free marketing) system in which the government is not involved increased rapidly, exceeding 60 percent of the total rice supply in 1990, the report said.

According to a recent government survey, 73.2 percent of the pollees supported domestic production of basic foodstuffs like rice, even if they are more expensive than imports, while the remaining 17.0 percent said it is better to import foods that are cheaper, the report said.

It noted the medium- to long-term supply and demand of farm products tend to fluctuate wildly and be unstable due to many factors, including population increase and global environment issues.

Economic Planning Chief Remarks on Wage Levels

OW0504041491 Tokyo KYODO in English 0158 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Michio Ochi, state minister and head of the Economic Planning Agency (EPA), Friday morning described as "moderate" the wage levels offered during the current management- labor bargaining.

The proposed wage levels fall within his agency's earlier estimates, making unnecessary any review of, or changes to, government economic policy, Ochi told reporters after a regular Cabinet meeting.

Japan's major steel, electronics, automobile, shipbuilding, heavy machinery, and electric power companies on Wednesday offered their trade unions annual wage hikes of about 5 percent.

The trade unions are reportedly ready to accept the wage offers, which average 5.6 percent for nine industries, compared with 5.94 percent recorded last year.

But Ochi said he remains anxious over the outcome of management- labor talks within private railway companies, which will enter their most crucial stage early next week.

He indicated his worries over whether the expected wage hikes could trigger an increase in railway fares, saying that the railway industry is the one which faces the greatest difficulties in absorbing wage hikes.

1990 Record for Nuclear Plants Announced

OW0504101891 Tokyo KYODO in English 0938 GMT 5 Apr 91

[Text] Tokyo, April 5 KYODO—Japan's nuclear power plants were affected by 23 accidents or "troubles" in fiscal 1990, up slightly from the 22 recorded the previous year, the government announced Friday.

The average number of "troubles" per plant for the nation's 37 operational plants was unchanged at 0.6, the Agency of Natural Resources and Energy, a Ministry of International Trade and Industry (MITI) affiliate, reported.

The figures represent the number of accidents and problems officially reported to the government as required by law, and include the accident at Kansai Electric Power Co.'s Mihama Plant in February.

Of the 23 reported mishaps, four involved automatic shutdown during operation and nine shutdowns by human decision, while the remaining 10 were discoveries of potentially serious problems while plants were temporarily out of operation.

The average operational rate for the plants was 72.7 percent, up 2.7 percentage points from the previous year.

The rate has been above 70 percent now for eight years in a row, the agency said.

But the average number of days required for annual check-ups was 171, up by 16 days from fiscal 1989 and the highest in the past nine years.

The agency attributed the rise to the 713-day suspension of operations at Tokyo Electric Power Co.'s Fukushima No. 2 Plant after a major accident.

North Korea

Cheney's Remarks on U.S. Forces in South Viewed

SK0504060591 Pyongyang KCNA in English 0432 GMT 5 Apr 91

["NODONG SINMUN Hits at Bellicose Outburst of U.S. Defence Secretary"—KCNA headline]

[Text] Pyongyang April 5 (KCNA)—Nodong SINMUN today brands U.S. Defence Secretary Cheney's bellicose outburst on the U.S. military strategy as a vicious challenge to world peace, particularly peace and stability in the Asia-Pacific region.

The news analyst says:

The U.S. military strategy reveals the U.S. imperialists' insatiable aggressive ambition to dominate the world by "nuclear supremacy". Cheney's outburst made clear that the U.S. military strategy is being further inclined to the provocation of a new nuclear war.

The United States maintains its aggressive military bases in all parts of the world, deploying there huge armed forces of three services including nuclear weapons. Its new military strategy envisages the reinforcement of this deployment in reliance on its allied forces and naval force in the Asia-Pacific region, in Northeast Asia in particular. This shows that the U.S. imperialists intend to carry out their war plan by directing a sharper edge of their anti-socialist world strategy to this area, sending reinforcements to the huge aggression forces consisting of large number of nuclear weapons, planes and great military strength which have been deployed there and thus increasing the density of their deployment. South Korea has become the foremost frontline base of the U.S. imperialists' Asia-Pacific strategy.

The U.S. reactionary ruling quarters call South Korea "a strategic stronghold of the U.S. Forces in Asia" and desperately oppose the denuclearisation of the Korean peninsula and their troops' pullout from South Korea. This is because they seek to provoke a new war with South Korea as the starting point, choosing the Korean peninsula as the ignition point of their Asia-Pacific strategy.

Recently Cheney brazenly blabbed that it was reasonable for the United States to have used A bombs against Japan toward the end of the Second World War. It was a vicious twaddle to justify beforehand the use of nuclear weapons, having worked out a plan to use them when igniting another Korean war of aggression.

The United States must pull its troops and nuclear weapons out of South Korea and the rest of the Asia-Pacific region, the commentary demands.

U.S. Posture as 'Defenders' of Freedom Viewed

SK0504121391 Pyongyang KCNA in English 1048 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—The U.S. imperialists' outcries about "defence" are to maintain and consolidate their dominationist position, establish the order of American style on a world-wide scale and impose the jungle law upon other countries, says NODONG SINMUN today in a bylined article.

The U.S. imperialists' "defence" doctrine is no more than a sophism to deceive and mock the peoples of the world, it says, and goes on:

The U.S. imperialists are posing as a "defender of the independence" of other countries.

For their dominationist and predatory nature, they can never stop aggression and intervention and can neither offer independence to the peoples of other countries nor defend it.

In the past 40 odd years after the Second World War, the U.S. imperialists committed 100 military coup [word indistinct] and innumerable overthrowing and subversive acts in different countries of the world and assassinated five heads of state.

They were undisguised in armed intervention in those countries that did not accept their demand or were advancing along the road of independence and sovereignty.

"Defenders" of "freedom" and "human rights" on their lips is also deceptive.

Under the signboard "defence of human rights", they are openly interfering in the internal affairs of the socialist countries and progressive countries.

They can never become a "defender" of freedom and human rights.

It is clear to everyone that the U.S. imperialists who make it a means of existence to invade and plunder other countries can provide the peoples of other countries with freedom and human rights.

The U.S. imperialists are now harassing peace, posing as the international gendarme under the mask of "defender of peace".

They committed armed interventions in other countries more than one hundred times after the Second World War.

The article [words indistinct]

The reckless criminal military manoeuvres of the U.S. imperialists on the Korean peninsula clearly prove that they are not a "defender of peace" but a disturber and destroyer of peace.

All the facts clearly prove how false and deceptive is the "defence" doctrine.

The U.S. imperialists' "defence" doctrine is a logic of aggression and intervention, a logic [words indistinct].

Ongoing U.S. 'Occupation' of South Viewed

SK0504110891 Pyongyang KCNA in English 1026 GMT 5 Apr 91

["U.S. Imperialists' Heinous Design To Perpetuate Occupation of South Korea"—KCNA headline]

[Text] Pyongyang April 5 (KCNA)—Carl Ford, deputy assistant secretary of defence for international security affairs of the United States, openly expressed an attempt to keep the U.S. troops in South Korea forever, according to a report.

He, while debating on "security affairs in the Pacific" in Washington Wednesday, blared that the presence of the U.S. troops in South Korea would be needed even after the year 2000.

By keeping their aggression forces present in South Korea the U.S. imperialists are trying not to "protect" somebody but to obstruct Korea's reunification at any cost, aggravate the tension on the Korean peninsula and to keep hold on South Korea as a springboard to invade the northern half of Korea and the continent.

U.S. military bosses recently said that "they would continue deploying military forces in the Pacific" and "U.S. Armed Forces based in Japan amd the Philippines should be ready to keep the U.S. Defence commitments to South Korea." Their utterances are a clear proof that the U.S. imperialists are going to increase the danger of a war on the Korean peninsula. Particularly, they shipped a large number of aggression forces into South Korea to frantically stage such large scale joint military exercises as the "Team Spirit 91".

All facts show that the U.S. imperialists are the very one who is dead set against the reunification of Korea and is scheming to perpetuate the division of the country.

Carl Ford blared also that "the Korean peninsula is a place of most serious threat in the East Asian region." The world public, however, unanimously said that the threat comes from the 1,000 odd nuclear weapons in South Korea and hysteric maneuvers of more than 40,000 U.S. troops stationed there to ignite a war against the North, not from somewhere else.

U.S. 'Ambition for Aggression' Condemned

SK0504121191 Pyongyang KCNA in English 1032 GMT 5 Apr 91

["Invariable Ambition for Aggression"—KCNA headline]

[Text] Pyongyang April 5 (KCNA)—The U.S. defense secretary and the chief of the U.S. Centre for Strategic and International Studies recently tried to justify their military occupation of other countries all the more blatantly, blaring that the United States would continue with the "forward deployment" of military forces in the Pacific region, all troops must be kept in a combat posture their positions on the Korean peninsula because it is difficult to find time to be prepared against someone's "aggression" and the like. Commenting on this, MINJU CHOSON today says the U.S. warlikers' utterances disclose that the U.S. imperialists do not want "peace" and "disarmament" but intend to continually race headlong along the road of aggression and war.

The news analyst says:

The U.S. imperialists are loudmouthed about "disarmament" but, in actuality, they are increasing armament, continuously developing sophisticated nuclear weapons and running amok in war exercises. They attach great importance to the Asia-Pacific region in executing their Asia strategy.

Latest lethal weapons are being reinforced without letup and armed forces strengthened at hundreds of U.S. military installations and bases in the Pacific.

Dark clouds of war are heavily hovering over the Korean peninsula at all times and a tense situation in which a war may break out any moment has been created due to the manoeuvres of the U.S. imperialists who are obsessed [word indistinct] aggression and war.

The world peaceloving people now oppose aggression and war and call for defence of peace.

Although the U.S. imperialists recently are behaving arrogantly, revealing more glaringly their bellicose nature, it will only further precipitate their own destruction.

The U.S. imperialists had better ponder over their behavior.

'Air-To-Ground Joint' Exercise Held in South

SK0504105591 Pyongyang KCNA in English
1024 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—The U.S. Pacific Airforce Command on April 3 staged an air-to-ground joint strike exercise against the northern half of Korea in the sky above South Korea as part of the "Team Spirit 91" joint military exercises, according to military sources.

Mobilized in the provocative war game which was held with the sky above Oeyondo, Kongju, Pyongchang, Yoju and Kunwi as the theatre of operations were such fighter-bombers and observation planes as F-16, F-4 and OA-10 based in the Pacific and F-16, F-4, F-5, A-37 and O-2 of the U.S. Airforce present in South Korea and the puppet airforce, more than 170.

That day, the U.S. imperialists sent U-2, RC-12 and QV-1 high-altitude strategical and tactical reconnaissance planes mobilised in the war game to the sky above the areas along the military demarcation line to commit a vicious aerial espionage on areas of our side.

South Denounced for Refusing Witness From North

SK0504112891 Pyongyang KCNA in English
1021 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—The Preparatory Committee of the South side's headquarters of the Pan-Korean Alliance for National Reunification (Pomminnyon) and the Coalition for National Democratic Movement of South Korea (Chonminnyon) released a statement on April 3 denouncing the puppet judicature for refusing to adopt Chon Kum-chol, vice-chairman of the committee for the peaceful reunification of the fatherland of the North side. As a witness at the trial of the persons who had participated in the Berlin tripartite working-level talks, according to a radio report from Seoul.

The refusal is an unfair act which means that the "judicature" sympathizes with the anti-reunification policy of the authorities, the statement said.

Pointing out that the attitude of the "judicature" is based on the "National Security Law" which totally blocks the road to reunification, it demanded a fair trial of the participants in the Berlin tripartite working-level talks.

Student Group Leader's Trial in South Condemned

SK0504050291 Pyongyang KCNA in English
0425 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] made public information No. 588 on April 4.

Drawing attention to the fact that the South Korean authorities held a trial and committed such fascist outrage as demanding ten years' imprisonment and ten years' suspension of qualification for student Song Kap-sok, former chairman of the National Council of Student Representatives (Chondaehyop), the information says:

This is a reactionary offensive to suppress Chondaehyop and an unpardonable criminal act to stifle the movement for independence, democracy and reunification.

The South Korean authorities are viciously trying to suppress Chondaehyop, a legitimate organisation, and stamp out the patriotic struggle of students.

Some time ago, they fabricated and made public another "case of a group for promoting national reunification" and charged that Chondaehyop was wirepulled by this "underground secret organisation" that called for "reunification through communisation".

They are these days suppressing progressive organisations and arresting and punishing patriotic students en masse through trials, fabricating one anti-communist tricky case after another, urged by an ulterior intention to stamp out the pro-reunification, democratic forces and defuse the crisis of the "Democratic Liberal Party regime" which is shaking to its very foundation.

The South Korean authorities must put an immediate end to their fascist crackdown upon progressive organisations and patriotic students, unconditionally and promptly release all the unwarrantably arrested people and step down as demanded by the South Korean people.

South Professor Arrives in Pyongyang for Visit

SK0504105191 Pyongyang KCNA in English
0956 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—Professor of international politics Kim Hui-won, former chairman of the South Korean Kangwon Provincial District Committee of the "Reunification Democratic Party" and central permanent member of the "Democratic Liberal Party", arrived in Pyongyang on April 5 by plane.

He made public a statement of his arrival at the airport.

In the statement, he said he came to Pyongyang to solve the question of the withdrawal of the U.S. forces for the reunification of the country. It is my political ambition and political purpose to pursue admirable politics for the nation on a reunified country with no outside force, he stated.

Under the present situation of the South Korean society, anyone who insists on the legitimacy of the withdrawal of the U.S. troops have nowhere to go but prison, branded as an anti-"government", leftist and pro-communist element, he said.

I, he said , came on a visit to Pyongyang to carry my political faith into practice after pondering over the matter, in the belief that if I go to Pyongyang, I would freely engage myself in the movement for the withdrawal of the U.S. troops and political activities for honestly awakening the people in the North and the South to the falsity of the talk of the South Korean military rulers about reunification, expelling the outside forces and putting an end to the military government in South Korea and establishing a civilian government.

He said the politics, military affairs and economy of South Korea are under the political manipulation of the United States and the reunification, the supreme national desire, is delayed owing to the United States.

It is my strong demand that if the United States wants to stage the "Team Spirit", a nuclear war exercise against the North intended to destroy our nation, it should do it in the U.S. mainland, that is, in New York or Washington, in the skies over the White House where there is Bush and its surroundings, withdraw all its troops which have inflicted losses upon South Korea and, at the same time, pay the rent for its use of the bases and make compensations for the losses properly to the South Korean people, he stated.

The U.S. imperialists have reduced South Korea to an economic colony, exploit the workforce of South Korean people and the national force, in league with the businesses and enforce a policy of protecting the national interests of the United States, he said, and continued:

The main motive that made me harden my determination and visit North Korea is the firm belief that courageous politicians should take the lead in restoring the national spirit by indicting the United States which is viciously pursuing this preposterous policy of destroying other nation before the South Korean people and the international community and in achieving genuine sovereignty and independence and national reunification by the efforts of us, the first generation of division, he declared.

Kim Il-song's Guidance to Komdok Commemorated

*SK0504051091 Pyongyang KCNA in English
0420 GMT 5 Apr 91*

[Text] Pyongyang April 5 (KCNA)—Today is the 30th anniversary of the on-the-spot guidance of the great leader President Kim Il-song to the Komdok mining complex.

Through his on-the-spot guidance including the April 5, 1961, guidance and highly important teachings on several occasions he unfolded a grand blueprint to turn the Komdok District into a leading nonferrous metal ore producer of the country and has wisely led the efforts to put it into practice.

On July 1, 1975, the dear leader Comrade Kim Chong-il called on the workers of Komdok and went down to even an underground cutting site to acquaint himself with the specific conditions of the mine and, on this basis, set forth tasks to bring about a new upsurge in production through the vigorous three revolutions, ideological, technical and cultural and showed deep loving care for the miners.

As a result, the complex has turned into a modernly-equipped large mineral producer of lead and zinc and is greatly contributing to increasing the economic potentials of the country and further improving the living standard of the people.

A meeting was held in Kumgol on April 4 on the occasion of the anniversary of the on-the-spot guidance.

Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, read out a congratulatory message of the WPK Central Committee to the workers, technicians and office employees of the complex and the three-revolution team members working there.

The congratulatory message says that the workers of Komdok have brought about great changes in all aspects of work and life by pressing ahead with the ideological, technical and cultural revolutions, upholding the torchlight of the three-revolution red flag movement kindled by the party, and performed proud exploits in the production of minerals by the united efforts and wisdom of the collective.

Kim Il-song's Party Founding Monument Unveiled

*SK0504050891 Pyongyang KCNA in English
0416 GMT 5 Apr 91*

[Text] Pyongyang April 5 (KCNA)—The Turubong revolutionary site in Onsong, the northern tip of Korea, has been built up splendidly.

The revolutionary site is a time-honored land of revolution where the great leader Comrade Kim Il-song formed the first basic party organisation in the homeland during the anti-Japanese revolutionary struggle over 60 years ago, indicated tasks facing the party organisations at home and ways for their implementation and led the members of the revolutionary organisations in Onsong to fight resolutely along the road of the Korean revolution.

A monument to the revolutionary activities has been erected in the place to hand down the undying exploits of President Kim Il-song who established the glorious traditions of building the party organisation of chuche.

It consists of a large mural portraying the majestic image of President Kim Il-song presenting a red flag to the first party organisation in the homeland and the monument to revolutionary activities with a tall book-shape granite weighing hundreds of tons standing in the center.

The unveiling ceremony of the monument was held with a large attendance on April 4.

Paper Views Conviction, Fidelity of People

*SK0504115491 Pyongyang KCNA in English
1037 GMT 5 Apr 91*

["NODONG SINMUN on Conviction and Fidelity of Korean People"—KCNA headline]

[Text] Pyongyang April 5 (KCNA)—NODONG SINMUN today comes out with a signed article headlined "It Is Noble Traits of Our People To Look Up to the Party and Leader With Conviction and Fidelity".

The article notes that conviction and fidelity are the intrinsic ideological and moral characteristics of the Korean revolutionaries of chuche type who have struggled under the guidance of the respected leader Comrade Kim Il-song.

It quotes Comrade Kim Il-song as saying:

"It is a noble trait of communists to hold fast to and fight unyieldingly for their own convictions."

It says:

The conviction and fidelity of the Korean revolutionaries of chuche type originated and have been invariably cherished since they acclaimed respected Comrade Kim Il-song as their leader. Their conviction and fidelity are flawlessly clear and clean purity and they are steadfast, never changing under whatever circumstances. The chuche-type Korean revolutionaries have fought with the unshakable stand that they know none but the respected leader Comrade Kim Il-song, entrusting all their destinies entirely to him. They became firmly convinced through their life experience that their eternal happiness and the future of the country and the nation lie in molding the respected leader in high esteem.

The chuche-type Korean revolutionaries are indomitable fighters who have held fast to their conviction and fidelity under many difficult circumstances. A man who remains faithful to revolutionary fidelity with only one conviction on the road of loyalty following the leader, and a model of loyalist who does not vacillate or change even a moment in his conviction and fidelity and would not forsake them even if he should die—he is a revolutionary of chuche type.

The cjuche-type revolutionaries who were educated and brought up by Comrade Kim Il-song clearly showed through their great sacifices and bloody struggle what conviction and fidelity revolutionaries should have.

The conviction and fidelity are a noble ideological and moral trait of the Korean people who are carrying out the Korean revolution under the guidance of the great leader.

Our conviction and fidelity are singlehearted loyalty to share the same will and destiny with the great leader, singlehearted unity around him.

Our people's singlehearted loyalty means conviction of sure victory in the revolutionary cause started by the leader of the revolution, and the revolutionary principle of sharing the same lot with him under any circumstances, and noble fidelity repaying with loyalty his trust and loving care. As they cherish deep in their minds these conviction, principle and fidelity, our people are unfailingly faithful and steadfast in their attitude toward the leader.

Today our unity behind the great leader is so pure and solid because it is the unity based on our conviction and fidelity. It is the ideological, purposeful and moral unity and cohesion based on the steadfast conviction that only when we fight, firmly united around the party and the leader, can we win victory and accomplish the revolutionary cause of chuche; it is also based on our revolutionary fidelity and warm comradeship displayed in discharging our duty as revolutionary soldiers in any adversity.

It is a firm pledge of the chuche-type Korean revolutionaries to remain loyal to the leader of the revolution with conviction and fidelity. The conviction and fidelity of today should be fully displayed in firmly keeping their pledge of history to exalt the honor of Korea under the guidance of the great leader and in carrying it into practice.

In order to staunchly struggle under the guidance of the party and the leader, deeply cherishing conviction and fidelity in our minds, we should firmly establish the revolutionary attitude toward the leader and constantly make ourselves revolutionary.

Orchard Area Doubles, Fruit Output Increases

SK0504105391 Pyongyang KCNA in English 1008 GMT 5 Apr 91

[Text] Pyongyang April 5 (KCNA)—The area of orchard has more than doubled and the output of fruits increased 3.9 times in Korea over the past 30 years.

The Pukchong enlarged meeting of the Presidium of the Central Committee of the Workers' Party of Korea in April 1961 marked a signal milestone in the development of fruit-growing.

The meeting indicated the direction and ways of developing fruit-growing on a larger scale.

Korea has since created 20,000-30,000 hectares of orchards every year. As a result, the area of orchards increased hundreds of thousands of hectares in a short span of time.

Each cooperative farm has scores of hectares of orchard on an average and more than 80 farms have 100 to 500 hectares of them.

There is a fruit-growing integrated farm with more than 8,000 hectares of orchards in Kwail county, South Hwanghae Province, on the west coast.

It annually produces more fruit than the nation's total fruit output bef[illegible]he liberation of the country in 1945.

The Pyongyang, Sariwon, Hwangju, Unchon, Sukchon, Pukchong and Unryul fruit farms have more than 1,000 hectares of orchards each and pick large quantities of fruit every year.

Korea, directing primary importance to the production of apples, grows pear, peach, plum, grapes, jujubes, sweet cherry, persimmon and other fruits. It has also rationally distributed varieties of fruit (early-, middle- and late-ripening fruit) throughout the country to supply people with fresh fruit in all seasons.

Documentaries Show 'Looks of Prosperous Korea'

SK0404231591 Pyongyang KCNA in English 1457 GMT 4 Apr 91

[Text] Pyongyang April 4 (KCNA)—The Korean Documentary Film Studio recently produced documentary films well showing the looks of prospeous Korea.

The documentary "The Story of Loving Care for Kangson Will Be Recounted Through Generations" tells about the immortal story of the great love shown by the respected leader President Kim Il-song to the working class of Kangson.

It tells that President Kim Il-song, after liberating the country, called on the workers of Kangson first, not dropping in Mangyongdae, his home village within a calling distance, indicated the road ahead of them and, after the war led them to lift the torch of the Chollima movement.

The documentary "Rural Villages Developing Under Guidance", gives an epic description of the exploits of the guidance of the dear leader Comrade Kim Chong-il who has brought about a tremendous change in the socialist countryside by successfully carrying out the great leader's plan of building communist rural communities.

The documentary "Tongil Street Under Construction" shows the fast construction of a new grand and beautiful street lined with apartment houses which will provide the citizens with better living conditions. It shows scenes of the apartment houses for tens of thousands of flats which are rising in rows on the Naknang area which was fields only one year ago. It vividly describes the might of the single-hearted unity of the leader, the party and the masses and the economic potentials of the country.

Also released is the documentary "Young Vanguards of Kumgol" portraying miners who form "a youth vanguard corps" and make a breakthrough in the production of nonferrous metal ores.

KCNA Review of 5 Apr Pyongyang Press

SK0504060791 Pyongyang KCNA in English
0447 GMT 5 Apr 91

[Press review]

[Text] Pyongyang April 5 (KCNA)—Papers here today frontpage an account of a ceremony of unveiling the monument at the Turubong revolutionary site built up in Onsong, North Hamgyong Province.

The revolutionary site is a time-honored land of revolution where the great leader comrade Kim Il-song formed a first basic party organisation in the homeland 60 years ago and led the members of revolutionary organisations in Onsong area to staunchly fight along the road of the Korean revolution.

It is reported in NODONG SINMUN that immortal classical works of President Kim Il-song were deeply studied in different countries and foreign media published articles on his birthday.

The press gives accounts of meetings held to commemorate the 30th anniversary of the great leader President Kim Il-song's on-the-spot guidance to the Komdok mining complex and Yongyang mine, and a seminar on the chuche-based literary and art idea dealing with the teachings given by him when he was looking round the Mansudae Art Studio on February 11, 1991.

MINJU CHOSON writes about the wise guidance of President Kim Il-song in growing vicia widely and promoting the health of children.

Under the title "Revolutionary History of President Kim Il-song Is a Brilliant History of Creation and Construction", NODONG SINMUN conveys words of party leaders of different countries.

Carried in the paper is a message of greetings sent by the Central Committee of the Workers' Party of Korea to Gilberto Vieira, general secretary of the C.C. [Central Committee], the Communist Party of Colombia, on his 80th birthday.

The paper allots nearly one whole page to an article headlined "It Is Noble Traits of Our People To Look Up To the Party and Leader With Conviction and Fidelity".

The paper says working people, youth and students throughout the country have planted many trees in Mangyongdae.

Highlighted in the press are changes of the Komdok mining complex.

Papers observe day of public health.

The chuche idea is briskly studied and disseminated among South Korean people, says MINJU CHOSON.

NODONG SINMUN conveys voices of the world public supporting the DPRK's new reunification proposal.

The press reports that the Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] issued information No. 588 denouncing the fascist outrage of the South Korean authorities against student Song Kap-sok, former chairman of Chondaehyop. South Korean news columns of the press include reports that the Preparatory Committee of the South side headquarters of "Pomminnyon" and Chonminnyon denounced the South Korean authorities for refusing to adopt as a witness Chon Kum-chol, vice-chairman of the CPRF. Chongyojo [National Teachers Trade Union] declared its resolution to wage a vigorous struggle for democratic rights and students waged an anti-"government [punctuation as received] struggle.

It is reported in NODONG SINMUN that the senior information official of the State Council of Construction of Tanzania said that the South Korean authorities do not want to reunify the country and that the International Committee of Jurists for Democracy and Human Rights in South Korea published a document exposing a large-scale scandal and suppression of patriotic and democratic forces in South Korea.

Dailies convey world public voices denouncing the "Team Spirit-91" joint military manoeuvres and news that the U.S. imperialists and the South Korean authorities continue to stage provocative military exercises against the North.

Dailies comment on the jargon of the U.S. defesce secretary on the U.S. military strategy.

The Kenyan president denounced the moves to introduce a multi-party system, according to the press.

NODONG SINMUN comes out with an article entitled "The U.S. Imperialists' 'Defender' Doctrine Full of Falsity and Deception."

South Korea

North Revises Plan on Blocking UN Admission

SK2903042591 Seoul CHOSON ILBO in Korean 29 Mar 91 p 1

[Text] It was learned on 28 March that North Korea has partially changed its reunification proposal on the Koryo confedral system. It was also learned that North Korea has unofficially adopted a revised reunification proposal that the "regional governments" of the North and South each tentatively handle diplomatic and military affairs before reunification is achieved, and has been propagandizing the proposal in diplomatic circles such as the United Nations. North Korea's previous reunification proposal on the confedral system stipulates that the central government handle both diplomatic and military affairs.

A high-ranking government source said: "These moves by North Korea appear to be part of its efforts to adapt itself to recent changes in the diplomatic environment. However, in view of the fact that it has also propagandized a proposal that a North-South consultative organization be established to handle diplomatic and military affairs, these moves are very likely designed to block the ROK's sole admission into the United Nations."

PRC's Position on South's UN Entry Viewed

SK0504013091 Seoul THE KOREA TIMES in English 5 Apr 91 p 6

[Editorial: "ROK's UN Entry and China"]

[Text] The Republic of Korea has stepped up its diplomatic maneuvers to enter the United Nations, capitalizing on the 47th conference of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP) currently being held in Seoul. Regrettably, it is becoming clearer that China is still the main if not the only stumbling block to the ROK bid for U.N. membership.

The Seoul government has so far sounded out Chinese intentions with regard to the Korean question at the U.N. through multilateral diplomatic channels but has apparently failed to ascertain a clear Beijing position on the issue. The intriguing question is whether or not China will exercise its veto rights, when the Seoul government submits an application for admission into the world forum.

Beijing has maintained an equivocal attitude toward the question, giving rise to mixed speculations by Seoul. Wishful thinking here would lead one to believe that China, as a permanent member of the U.N. Security Council, would not cast a negative ballot but abstain from voting, consequently paving the way for the ROK entry into the U.N.

This wishful thinking was dampened by the meeting between Foreign Minister Yi Sang-ok and China's Vice Foreign Minister Liu Huaqiu at the ministry Tuesday. The Korean minister reportedly asked for China's cooperation with the long-standing Korean bid but the Chinese official repeated his government's position that his country wants the two Koreas to continue their mutual consultations to find a solution to the question.

It is understood from this that Beijing would stand by the North Korean policy to oppose Seoul's U.N. entry, unless the two Koreas reach an agreement on the issue. The Chinese posture has once again disappointed the government despite its efforts to seek Beijing's understanding and cooperation, taking advantage of the presence of the highest Chinese official to visit to this country.

The Chinese policy toward the Korean question evidently runs against the trend of thinking of an overwhelming majority of the U.N. members including the other four permanent UNSC members, without any convincing justification. Beijing is undoubtedly opposed to Seoul's U.N. entry only in consideration of North Korea, its long-time ally.

Running counter to the post-Cold War era of detente and changes, China and North Korea have yet to shake off their irrational bond wrought by Stalinism and the Cold-War strategical alliance against the Soviet Union and the United States. Now is the time for the two countries to realize that their traditional relationships have become obsolete and unwelcome in this rapidly changing world.

China, in fact, sides wrongly with the Pyongyang regime and the latter's dogmatic objection to Seoul's endeavor to enter the world body, based on the unreasonable protestation that Seoul's U.N. entry would perpetuate the division of the Korean Peninsula. In fact, the separate admission of the two Koreas into U.N. will rather help reunify their country through increased mutual exchanges and international cooperation. The recent reunifications of East and West Germany and North and South Yemen are good examples of this.

China needs to pursue an independent diplomacy from Pyongyang and persuade its hapless ally to accept the principle of universality, under which the Republic of Korea should be granted U.N. membership as a viable and responsible member contributing to peace and co-prosperity of the world community, goals which the United Nations is committed to espouse.

It is regrettable that the visiting Chinese vice foreign minister avoided using the words, the Republic of Korea and the title of Foreign Minister Yi in his keynote speech at the ongoing ESCAP session and in his meetings with reporters, chilling the Korean efforts to warm up relations with Beijing. In this regard, the government may need to reappraise its unreciprocated efforts.

There is no need for the government to impatiently crave for diplomatic rapprochement with China which is obviously pursuing a policy of separating political and economic relations toward Seoul. Seoul's one-sided push of diplomatic initiatives could drive Beijing into a corner especially in relations with its protege, Pyongyang.

Olympic Committee Opens N-S Sports Department

SK2803035891 Seoul THE KOREA TIMES in English 28 Mar 91 p 12

[Text] The Korean Olympic Committee (KOC) yesterday inaugurated a South and North Sports Affairs Department to handle sports exchanges between the two Koreas expected to increase in the days to come.

The newly established department is to make preparations for future sports talks between South and North and support the activities of the KOC's 10-member consulting committee.

The consulting committee, headed by KOC vice president Chang Chung-sik, was recently set up to deal with a wide spectrum of inter-Korean sports affairs.

Seoul Proposed for Next Table Tennis Games

SK0304021591 Seoul YONHAP in English 0139 GMT 3 Apr 91

[Text] Nagaoka, Japan, April 2 (OANA-YONHAP)—The president of the South Korean Table Tennis Association (KTTA) proposed Tuesday that if the 42nd or 43rd World Table Tennis Championships are held in Seoul then North and South Korea enter a joint team.

Choe Won-sok aired the proposal in a meeting with Kim Hyong-chin, vice chairman of the North Korean Olympic Committee and head of the United Korean Pingpong Team in the 41st World Championships in Chiba, Japan, April 24.

Choe said he hoped "to continue the friendly relations between South and North Korean table tennis figures."

Kim, who is also vice chairman of the North Korean Physical Culture and Sports Guidance Commission, said he saw no difficulties in joint participation if the current team was a success.

The team is now training in Nagaoka for the championships, which will mark the first joint participation by South and North Korea in an international sports event.

The 42nd championships in 1993 were awarded to Mexico, which is expected to return the right to host them. Choe said Seoul was willing to host the 1993 championships if Mexico formally returned them to the International Table Tennis Federation (ITTF).

He said KTTF was working with the ITTF to get the 1995 championships if the Mexican event was not available.

Sports Minister To Meet DPRK Counterpart

SK0504050591 Seoul Domestic Service in Korean 1100 GMT 3 Apr 91

[Text] Pak Chol-on, minister of sports and youths, said that he plans to meet Kim Yu-sun, chairman of the North Korean Physical Culture and Sports Guidance Committee, in Seoul or in Pyongyang next month, to discuss the issue of the brisk North-South sports exchanges.

In an interview with KBS reporters after attending a discussion meeting to develop women's sports, which was held at the Olympic Youth Hostel this afternoon, Minister Pak Chol-on said that he will meet Kim Yu-sun, chairman of the North Korean Physical Culture and Sports Guidance Committee, in Seoul or in Pyongyang in May, when a soccer game to select the best players will be held. He also said that he will discuss with his counterpart the issue of North-South sports exchanges, including forming a single team for the Olympic games to be held in Barcelona in August, 1992.

In addition, he revealed that he received from (Ogimura), chairman of the International Table Tennis Union, a letter inviting him to attend the World Junior Table Tennis Championships, which will be held in Chiba, Japan, on 24 April.

In addition, he added that he will visit Japan 23 April to encourage the Korean team, the single North-South table tennis team which was formed for the first time since the nation was divided 46 years ago.

Prior to this, in his address praising the discussion meeting to develop women's sports, Minister Pak said that women athletes have enhanced the nation's prestige in various international games, including the Seoul Olympic games, and have played an important role in developing the nation. He also expresed the hope that women athletes would be a driving force in developing the Korean women's sports.

South-North Barter Trade Drastically Increases

SK0304134891 Seoul TONG-A ILBO in Korean 3 Apr 91 p 7

[Text] Barter trade between the South and North via third countries has increased drastically.

According to a list of goods for which permission was granted to import from and export to North Korea, released by the National Unification Board, over the past three months, from January through March this year, the South imported from the North 46 types of goods worth $29,105,000. This amount is more than the total amount of goods imported by the South from the North during the previous year, $20,879,000.

The value of goods imported by the North from the South has also increased drastically to $10,192,000, more than double the $4,731,000 during the first quarter of last year.

The major items that the South has imported from the North are primary products such as zinc ingots, coal, silk yarn, frozen Alaska pollack, frozen squid, and herbs for making medicines, while most of the goods that the North has imported from the South are industrial products such as paper products and electric home appliances.

DPRK Reportedly Records Minus Economic Growth

SK0404154791 Seoul CHOSON ILBO in Korean 4 Apr 91 p 1

[Text] It has been learned that the North Korean economy marked a minus growth for the first time in its history last year.

On 3 April, government authorities said that an analysis of North Korean economic achievements based on North Korean economic indexes and materials showed a 3 percent minus growth.

One official said that the causes of such a minus growth are a 40 percent decrease in the operation of production facilities caused by a reduction of crude oil imports and by absolute shortages of energy due to a decrease in coal production. Other causes are military expenditures amounting to 20 percent of the GNP; expenses used for the Pyongyang festival in 1989 amounting to $5 billion; a reduction in food production caused by bad weather conditions, including floods and cold, and other factors pressing its economy.

North Korea marked a 3.3 percent economic growth in 1987; a 3.0 percent growth in 1988; a 2.4 percent growth in 1989; and about a 3 percent growth in the beginning of the eighties.

More on DPRK Economic Situation

SK0504002791 Seoul CHUNGANG ILBO in Korean 3 Apr 91 p 9

[Article by reporter Kim Kuk-hu from the "North Korea Today" column]

[Text] It has been learned that North Korea is presently suffering from a serious power shortage due to its poor progress in supplying housing and from the difficulty of obtaining food stemming from the structural inconsistency of its economic system.

According to authorities, due to the recent stagnation of coal production in North Korea and due to the reduction of the supply of crude oil from the Soviet Union, there have been setbacks in supplying electricity for domestic and industrial use; therefore, the operation rate in some factories has been reduced in some cases by as much as 30 percent.

Also the construction of houses, which is a central task in North Korea, is experiencing great setbacks due to the lack of energy and resources and due to poor progress in supplying building materials at the appropriate time.

It was also revealed that the situation of North Korea's greatest policy task, that of "resolving the issue of eating," is serious. This means that food is lacking in absolute quantity due to last year's heavy rains which resulted in the flooding of farm land, and damage to plants due to cold weather, damage suffered during the growing period, and lack of fertilizer. Therefore, agricultural production recorded the worst crop failure since 1980.

We will look into North Korea's electricity supply situation and into the actual conditions for housing construction with the help of governmental authorities and defectors from the North.

Electricity Shortage

The ratio of hydroelectric to thermoelectric power stations in North Korea is 55 to 45.

In the case of hydroelectric power stations, the facilities are worn out and, since there is insufficient water available from October to May every year, the operation rate does not even amount to half of its capacity.

In power stations which use both coal and oil and the thermoelectric power stations which use oil exclusively, the situation of supplying oil is gradually worsening due to the serious stagnation in coal production since 1978 and due to reduced imports of oil from the Soviet Union, which is the main source of import by 20 percent. Therefore, in 1989 the overall amount of imported oil was 2.6 million tons and in 1988 it was 3.16 million tons, which is a reduction of 18 percent.

During its Third Seven-Year Plan (1987-1993), North Korea planned that the capacity of the power station facilities would be 17 million kilowatts and the amount of power generation would be 100 billion kilowatt hours. However, due to the worsening situation in oil supplies, the capacity of the power generation facilities in September 1989 was only 6.9 million kilowatts and the amount of power generated was 27.8 billion kilowatt hours.

It was revealed that because of this situation, within the North Korean leadership recently, it evaluated that the unrealistic goal in production is placing an extra burden on the shortage of electricity. Thus, it is urging that a new plan be devised to deal with this matter.

Because of this shortage of electrical power, through North Korea's NODONG SINMUN it is urging, "Currently, the most urgent pending issue is to resolve the electrical power problem, and in order to achieve this, the struggle to save electricity must be carried out actively through the all-masses' movement."

As a part of the way to solve the shortage of electrical power, North Korea recently instructed that regular electrical power outages be carried out throughout the nation.

In the case of Pyongyang, during certain peak use times during the day, electricity is shut off district by district for one and a half hours three to fours days a week, on the average.

In Kaesong, every Tuesday is when there is an electricity outage but there are many cases when it goes out for two days.

North Korea also ordered that other than this kind of regular power outage, a household should use only one lamp, and a campaign is being carried out to save energy under the names "Campaign to return electric lamps," and the "Campaign of not using electric lamps during the day."

People's neighborhood units are checking to see if these campaigns are being carried out well or not.

As for the case of Kaesong City, no elevator is installed even in 20-story apartment buildings, on the pretext of a shortage of electricity. Homes below the eighth floor are supplied to the core party members and above the eighth floor the apartments are allocated to general residents.

The residents try to buy candles, which can be conveniently used, to prepare for frequent power outages. But since it is hard to find candles, they make oil lamps with used cans and empty ink bottles and use them for lighting. Resinous pine wood lamps are used in some mountain villages to which no electricity is supplied, carbide lamps are used in some miners' village and fish-oil lamps are used in some fishing villages. To tide over the shortage of electrical power, North Korea has adopted a shift production system and the method of alternating power outages between plants and enterprises so that they can use electricity at different times. However, unexpected power outages are very frequent, and as a result, the operation of plants has been suspended and proper production and supply of consumer goods has failed. Nevertheless, the people are forced to solve these problems by themselves in the so-called chuche way.

The Chongjin chemical plant recently suspended operations due to the fuel shortage. With the task of turning Pyongyang into an international city and with the international events in Pyongyang, including the so-called Pyongyang festival, the use of charcoal carts in Pyongyang has been prohibited. However, since the fuel shortage became very serious, charcoal carts are seen again in Pyongyang.

Besides, various transportation organizations in North Korea were unable to transport export materials to China in a timely manner due to the fuel shortage, thus causing problems in supplying materials.

Failure in Building Houses

North Korea established the target of building 200,000 houses annually in major cities including Pyongyang, Nampo, Hamhung and Wonsan, during the Third 7-Year Plan period, and is concentrating its efforts on this project.

However, because of the shortage of energy and materials and due to the sluggish supply of construction materials, this project is very inactive. Furthermore, the workers, who are mobilized in housing construction from various places, have lost enthusiasm for work due to the hard labor and coarse living and food conditions. Thus, progress in this project is not brisk.

The case of "building 50,000 houses in Pyongyang" which is being pushed ahead as a priority housing project at the directive of Kim Chong-il, the party secretary, is a good example.

This project, which began in November 1989, is under way with the goal of completion by the end of 1991. However, progress as of the end of 1990 was only about 30 percent. In view of the present North Korean economic situation, completion by the end of this year appears to be impossible.

As for already completed apartments, attention was paid only to the height and outward appearance of the building at the directive of Secretary Kim Chong-il, who insisted on a modern look rather than residents' convenience. Thus, attention is paid only to building super-high apartments, which are inconvenient for daily life.

Besides, the internal facilities of these apartments are very poor and there is no elevator even in high apartments above ten floors. These apartment buildings have a public toilet system, and even the apartment houses with elevators have ones that operate only during the rush hours in the morning and evening. Thus, the residents suffer the inconvenience of going up and down the apartment buildings higher than 20 stories.

This being the case, the households with aged parents give up such apartments even though they are allocated to them. When residents move their household effects, they must hand carry them to the upper floors on the stairs, as there are no elevators and cargo lifts.

Due to the energy shortage, a limited water supply system is applied to most apartments in Pyongyang, supplying water only for 6 hours a day—two hours in the morning, at noon and in the evening. Fifty percent of these apartments are heated by individual anthracite coal heaters, and thus the residents must hand carry dust coal.

More than 90 percent of apartments with central heating are heated on a limited basis using coal-burning boilers, so that energy is saved. Therefore, the residents must wear heavy clothes even indoors.

More on Allegations of Pyongyang's Growing Opium

SK0404133391 Seoul YONHAP in English 1131 GMT 4 Apr 91

[Excerpts] Seoul, April 4 (YONHAP)—North Korea has official opium farms under direct government control in its mountainous areas and has engaged in illicit trade in narcotics overseas under the cover of diplomatic immunity, official sources here said Thrusday.

An official, who requested not to be identified, said Pyongyang is encouraging diplomats, businessmen and overseas workers to expand narcotic sales outlets in a bid to find a way out of the pressing shortage of foreign currency. [passage omitted]

"North Koreans usually use diplomat's pouches in transporting the narcotics across the border. Embassy personnel often carry the bags themselves capitalizing on diplomatic immunity. They usually contact drug traffickers in neighbouring countries," a government official said. [passage omitted]

North Korean-produced narcotics are moved either via Beijing or Moscow to Asia, Europe and Latin America, according to the official.

Through the Moscow channel, the contraband goods are distributed to all across Europe, India, Afghanistan, Syria, Sudan and other North African countries while the Beijing channel is used for destinations in Hong Kong, Pakistan, Indonesia, Myanmar [Burma], Malaysia and Singapore. The main relay spots are New Dehli, Damascus and Havana, it was said.

Pyongyang sometimes buys narcotics at low prices from Lebanon or the Golden Triangle where the borders of Laos, Thailand and Cambodia meet, the source said.

Firm To Begin Shipping Service to China in May

SK0404042691 Seoul YONHAP in English 0247 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—Cooperation and exchanges in marine transportation have improved since a container service between South Korea and China began in June 1989.

Kyonghan Shipping Co., a joint venture between Heung-a Shipping Co. of Korea and the state-run China Ocean Shipping Co. (COSCO), will begin a regular container service to Pusan, Inchon, Shanghai, Tianjin, Qingdao and Dalian on May 1, the Korea Maritime and Port Administration (KMPA) said Thursday.

Kyonghan will use four 150-450 Teu (20-foot equivalent unit) container vessels and provide two or four sailings a month, depending on the port, a KMPA official said.

Cosmo Jinlian Carferry Corp., a joint venture between Cosmo Tiger Corp. of Korea and Tianjin Marine Shipping Co. of China, will sail between Inchon and Tianjin twice weekly with a 9,000-ton car ferry that can accommodate 500 passengers, he said.

Sinokor Ltd., a joint venture between Dongnama Shipping Co. and China National Foreign Trade Transportation Corp., runs a regular container service to Pusan, Inchon, Shanghai, Tianjin, Dalian and Qingdao.

Weidong Ferry Co., jointly established by six Korean shipping companies, including Yukong line, and Weihai Joint Stock Shipping Co. and another Chinese firm, opened a car ferry service between Inchon and Weihai in September last year.

Opening of a regular container service between Pusan and Vostochniy is unlikely in the first half of the year as the Korean and Soviet Governments are still unable to narrow differences on agencies of the shipping companies concerned despite 18 months of negotiations.

Minister Seeks Hungary's Support for UN Entry

SK2603065591 Seoul YONHAP in English 0547 GMT 26 Mar 91

[Text] Seoul, March 26 (YONHAP)—South Korean Foreign Minister Yi Sang-ok has appealed to Hungary to support Korea if it applies for U.N. membership this year. Yi, in talks with Hungarian Foreign Minister Geza Jeszenszky, reiterated Tuesday Korea's position on U.N. membership and the two discussed the international political situation, particularly rapprochement between North Korea and Japan.

Jeszenszky said Korea should enter the world body because it was fully eligible and suggested North Korea should take a more practical attitude to the issue.

"A revolution is under way even in Albania, often referred to as the last bastion of the European communism. I think it will have a positive influence on North Korea's openness policy," Jeszenszky said.

Hungarian parliamentarians would get across the change of tide in the world community to North Korea during the General Assembly of the Inter-Parliamentary Union in Pyongyang in April, he said.

Ministry Official on Purchase of MIG-29's

SK0504044791 Seoul HANGYORE SINMUN in Korean 5 Apr 91 p 13

[From "Massive Rock" column]

[Text] Commenting on the report that the Soviet Union proposed to sell its modern fighters such as MiG-29's to the ROK, a Ministry of Defense official said: In reviewing again the kind of aircraft needed for the ROK fighter project, our side did not totally rule out the possibility of purchasing MiG's.

The Ministry official went on to say: Although the MiG's have the advantage of being lower in price and not significantly inferior in performance to the U.S.-made fighters, we cannot purchase them for the one simple reason that if we purchase them, we are subjugated to the Soviet weaponry system. Moreover, since the purchase of fighters involves complicated political and diplomatic considerations, as well as mere military considerations, we will not purchase Soviet weapons for the time being.

Meanwhile, a Chongwadae official said that there is no possibility of purchasing the Soviet fighters.

At this, some civilian military experts said: If we were to make a total review of the ROK fighter project, we ought to include the French F-1 Mirages, the Soviet MiG-29's, and MiG-31's in our potential purchase list; otherwise, we will be left with little choice. Diversifying the market from which we purchase weapons is an objective we ought to pursue. To understand the performance and features of the MiG-29's which North Korea has, we would lose nothing by purchasing a few of them.

President No Tae-u Meets Swiss Minister 3 Apr

SK0504055191 Seoul KBS-1 Television Network in Korean 1200 GMT 3 Apr 91

[Text] President No Tae-u today met Swiss Chief of Department of Public Economy Delamuraz at Chongwadae and exchanged views on matters of common concern for the ROK and Switzerland. When President No Tae-u made an unofficial visit to Switzerland in November

1989, he had summit talks with Delamuraz, who was then the president of Switzerland with a one-year term of office.

France Plans Seoul-Paris Flight Over Siberia

SK0404033391 Seoul THE KOREA HERALD in English 4 Apr 91 p 3

[Text] One of Air France's three weekly Seoul-Paris flights will be made over Siberia, not via Anchorage beginning this week, the airline announced yesterday.

Two other weekly flights will also take shorter trans-Siberian routes by October, the airline's Seoul branch official said.

The trans-Siberian route will cut flight time by as much as seven hours, the company officials said.

The French airline has obtained permission from both the Korean government and the Soviet authorities to use the Siberian route in its Seoul-Paris flight, they said.

The trans-Siberian flight, which began this week, departs Paris at 9:35 a.m. (local time) every Wednesday and lands in Seoul at 7:40 a.m. the next day (local time)

Protection Accord With Japan on Fish Resources

OW3003075291 Tokyo KYODO in English 0714 GMT 30 Mar 91

[Text] Tokyo, March 30 KYODO—Japan and South Korea agreed to protect fishery resources and prevent illegal fishing in the waters surrounding the two nations at the end of a three-day meeting in Seoul on Saturday, Fisheries Agency officials said.

The two countries agreed to continue the voluntary protection of fish species, such as hairtails, reported to be decreasing, they said.

The parties also agreed to tighten control on illegal fishing in accordance with the Japan-South Korea Fisheries Agreement signed in 1965.

No on Kim Yong-sam Accord With Kim Tae-chung

SK0304053591 Seoul YONHAP in English 0514 GMT 3 Apr 91

[Text] Seoul, April 3 (YONHAP)—President No Tae-u sent a message to Kim Yong-sam, the ruling Democratic Liberal Party's executive chairman, Tuesday afternoon saying he regretted Kim's agreement with opposition leader Kim Tae-chung on Monday.

Son Chu-hwan, senior presidential secretary for political affairs, met with Rep. Kim Tok-yong, a close aide of Kim Yong-sam, at a downtown hotel to pass along the president's displeasure with the controversial accord.

Son is said to have conveyed No's concern that the five-point agreement between the two Kims might undermine his authority and demanded that Kim explain why a ruling party executive chairman had agreed with the president of an opposition party to oppose "public security politics" by the government.

Kim was to explain his actions at a meeting of party leaders Wednesday, and Son said that No would then let the matter rest.

Kim Yong-sam Cautioned on Unilateral Moves

SK0504010191 Seoul THE KOREA HERALD in English 5 Apr 91 p 2

[Text] President No Tae-u yesterday cautioned Kim Yong-sam, executive chairman of his ruling Democratic Liberal Party, against making unilateral political moves such as Kim's recent deal with opposition leader Kim Tae-chung.

During an hour-long regular weekly meeting at Chongwadae, No urged Kim to consult other party leaders before taking such political steps, said Son Chu-hwan, senior presidential secretary for political affairs.

The government party was recently embroiled in factional bickering over the two Kims' meeting in Taegu Monday. The meeting produced an agreement, which included a call for an end to "public security-oriented politics."

The term refers to the allegedly heavy-handed rule imposed under the excuse of maintaining law and order.

Kim apologized to No for causing him concern over his agreement with Kim Tae-chung, while attributing the recent controversy to a "misunderstanding," Son said.

Calling on Kim not to cause "unnecessary misunderstanding" again, No stressed that Kim should have prior consultations over important announcements with party co-chairmen—Kim Chong-pil and Pak Tae-chun—or other senior party officials, the presidential aide said.

Son quoted the executive chairman as telling him that No's misunderstanding has been cleared.

On the special National Assembly session opening April 15, No asked Kim to focus on political reforms in an effort to meet the people's aspirations for clean politics.

Assembly session will likely be to revise or repeal the so-called "undemocratic laws," including the tough National Security Law.

Kim has come under harsh criticism from his opponents in the party following his unusual meeting with Kim Tae-chung, head of the main opposition Party for Peace and Democracy.

PPD To Unite With Dissident-Backed Party

SK0404035691 Seoul YONHAP in English 0252 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—Kim Tae-chung, head of the main opposition Party for Peace and Democracy (PPD), and Yi U-chong, head of the dissident-backed New Democratic Union Party (NDUP), announced Thursday that their parties will unite on April 9 and take the name the New Democratic Union Party.

In a joint press conference at the Korea Press Center, the two said the new party would endeavor to set up a "civilian-led democratic government" and urged "all democratic forces" to support them.

Though being touted as a merger and being named the NDUP, the new party will be virtually indistinguishable from the current PPD except for the addition of the dissidents. There was no word on the leadership of the new party.

Kim and Yi said the NDUP would take the lead in political reforms and aimed at winning the local elections in June and the 1992 presidential election.

The nine-point party platform calls for moral politics, a righteous market economy, a full guarantee of people's rights, national reunification through the Korean confederation system and omnidirectional independent diplomacy.

Antigovernment, Anti-U.S. University Protests

SK0404020691 Seoul THE KOREA HERALD in English 4 Apr 91 p 3

[Text] Tens of hundreds of students staged antigovernment and anti-American demonstrations on their campuses in Seoul yesterday.

At Kyonghui University, Some 400 students clashed with hundreds of riot policemen in a violent antigovernment protest on campus at around 1 p.m.

The student protesters charged out of the campus and attempted to march on to the road by throwing scores of fire bombs at the riot troopers, but they were pushed back inside by the tear gas-firing troopers.

They denounced the government for the Suso land scandal and the early holding of local council elections. The ralliers claimed that the regime is increasing tension over the Korean Peninsula by pushing the Team Spirit military maneuver.

About 500 Seoul City University students also held an antigovernment demonstration around 1 p.m.

At Seoul National University, some 300 students burned an American flag in an anti-American protest on their campus at around 2 p.m.

They demanded the United States stop supporting the dictator-led regime, and withdraw its nuclear weapons and troops from the peninsula.

Development of Students' Struggle Viewed

SK0504124991 Seoul HANGUK ILBO in Korean 3 Apr 91 p 8

[Article by reporter Ko Tae-song on how the students' struggle will be developed this year judging from the recently adopted 'General Line for '91' of the Seoul District Federation of General Student Councils (Sochongnyon)]

[Excerpts] The launch meetings of the general student councils are being held in university campuses these days, heralding the beginning of the student movement this year. On 30 March, a plenary meeting of the delegates of the Sochongnyon was held in Seoul National University and adopted its "general line," revealing the general direction of the student movement this year.

Because the Sochongnyon line is put into action every year through the National Council of University Student Representatives [Chondaehyop], the student organization that regiments the student movement, the plan of action set forth by the Sochongnyon defines the direction of the student movement for the year. The direction of the student struggle for this year revealed by the Sochongnyon delegates' plenary meeting sets forth the antifascist struggle for democratization, the anti-U.S. struggle for independence, and the struggle for fatherland reunification.

We can anticipate the general outline of the student movement this year based on Sochongnyon's "Struggle Line for Academic Year 1991," "Action Program for the First Half," and "Work Outline and Work Project Proposal for March and April" which were officially adopted by its delegates' plenary meeting and Chondaehyop's "General Line of the Fatherland Reunification Struggle for 1991 (provisional)" adopted by its Second Student Committee for the Promotion of Fatherland Reunification.

Being aware that since 1991 is a transitional period to 1992 when the general elections will be held and to 1993 when the presidential election will be held, the students think that the present regime will attempt to bring forth a stable reformulation of power and the revision of the Constitution for the introduction of the parliamentary cabinet system designed for long-term power. To counter these moves, the students believe that they should pressure the conservative opposition parties to materialize the true "grand democratic alliance" regimenting all democratic forces this year.

For this, the students are planning to accelerate the building of a grand democratic alliance smoothly by waging a concerted struggle with various democratic organizations with organizational solidarity with them to oust the present regime from power, making the most of the serious crisis of the present regime brought about by the lawmakers' bribery scandal, the Suso housing scandal, and the contamination of the Naktong River.

At the same time, in the fatherland reunification struggle, which has been the main trend of the student movement since 1988, the students are planning to intensify the reunification drive, exposing the present regime's falsity of its policy toward the North and nordpolitik and using the "pannational conference" around 15 August as an opportunity for their rallying point with such proposals as "North-South students' grand union festival."

In the anti-U.S. struggle for independence, the students, based on their assessment that the anti-American national sentiment is spreading wider than before, are planning to expand the anti-Uruguay-Round struggle based on the demand for the right to existence of the masses and the struggle for the withdrawal of nuclear weapons from the ROK so that it may lead to the struggle for the withdrawal of the U.S. troops from the ROK and the struggle for disarmament. [passage omitted]

The students have decided to intensify their anti- U.S. struggle for independence this year based on their assessment that the United States will expand its political and military influence on the Korean peninsula in the wake of its victory in the Gulf war and further solidify its colonial domination system with pressure on the ROK to open markets to accept Uruguay Round negotiations with the power reformulation period approaching in the ROK in 1992 and 1993.

The students have set up a strategy that they will spread anti-American sentiment by waging a struggle in concert with the workers and farmers taking advantage of the issues connected with the right to existence of the masses, such as the Uruguay Round, leading it ultimately to the struggle to force nuclear weapons and U.S. troops out of the ROK.

In this process, the students are planning to make clear that the United States manipulated behind the 18 May democratization movement, thereby inducing national resistance, and force the United States to refrain from interfering in our internal affairs.

At the same time, the students are planning to call attention to the Western imperialists' exportation of pollution-causing industries and the seriousness of the nuclear contamination, taking advantage of the heightened awareness of the people of the pollution problem, thereby providing a base of the struggle to force the nuclear weapons out of the Korean peninsula. Effectively utilizing the sporadic struggles for the removal and against the transfer of the U.S. military bases waged in various places across the country connecting them with the issue of the right to existence of the residents of the area, the students make it clear that they will develop these struggles into the struggle against the Team Spirit exercise and the nationwide struggle for the withdrawal of the U.S. troops from the ROK.

The students have also set up their strategy to spread the concept that the United States is using its reinforced influence on the international arena to quietly instigate ROK's separate UN entry and the Korean reunification formula by merging the North into the South as in the case of Germany, laying a stumbling block to the masses-initiated reunification efforts, and connect the anti-U.S. struggle to the fatherland reunification struggle. [passage omitted]

* Chamintong Unveiled as Underground Organization

912C0163A Seoul CHINSANG KWA NAEMAK in Korean Feb 91 pp 64-71

[Article by reporter Hwang Chi-sang: "The Communist Revolutionary Vanguard Thoroughly Armed With the Kim Il-song Chuche Ideology"]

[Text] **Rules, Program Identical With Hanminjon's**

When the organization of Sammintu [Struggle Committee for the Masses, Democracy and the Nation] collapsed as the leader of the activist student struggle in the aftermath of the Seoul U.S. Cultural Center incident in May 1985 in which the radical students raided and holed up in the facility, the activist camp in campuses split into two—the Leninist Minmintu [Anti-Imperialist, Anti-Fascist National Democratic Struggle Committee] and the pro-North Chamintu [Anti-U.S., Self-Supporting Anti-Fascist Democratization Struggle Committee]. Minmintu and Chamintu thus launched their radical struggles emulatively.

Later, beginning in July 1988, as Sokonchu [Promotion Committee for Construction of United Student Assembly in the Seoul Area], an affiliate of Minmintu, was absorbed into Sochongnyon [Federation of the Student Associations in the Seoul Area], a faction under the control of Chondaehyop [National Council of College Student Representatives] led by the chuche ideology group Chamintu, in the wake of the opposition's failure in the general election campaign, Chondaehyop surfaced as a group ostensibly representing campus activism.

Meanwhile, Chondaehyop, taking advantage of the democratization trends and expanding North-South exchanges, laid plans for anti-U.S. struggle, including a raid on and setting fire at the American Embassy to demand the withdrawal of U.S. troops and nuclear weapons from South Korea. Also, by waging a reunification struggle out-and-out pro-North through the North-South student talks and a "know about North Korea as it is" movement, it created a situation in which all our universities, the cradle of the intellect, looked as if they had been turned into an anti- U.S., pro-North Korea battlefield for reunification.

Especially, in a more shocking development, even the general public mistook Chondaehyop's activities for a pro-democracy movement and their vigilance weakened daily against the North Korean strategy of communist revolution in the South.

As Chondaehyop continued with its organized, regimented violent demonstrations and acts of disrupting public peace and order, authorities concluded that there must be someone pulling the wires from behind, and pursued the case for a long period of time.

As a result, the authorities disclosed that in the process of investigation about Chairman Song Kap-sok and other core leaders of the organization, they confirmed that Chondaehyop had been a cat's-paw of an underground organization called Chamintong.

They also disclosed that "Chamintong" is an acronym for chaju, minju and tongil—self-dependence, democracy and reunification—showing its will to thoroughly carry out the line put forth by the North Korean covert organization Hanminjon [the National Democratic Front of South Korea] as its "program of three revolutions" for communist control of the South. It is a secret organization, according to the disclosure, that listened to the clandestine "Voice of National Salvation" [VONS] broadcasts and followed instructions from Hanminjon, engaging in covert activities to overthrow the present South Korean government, achieve reunification through coalition with the communist North and establish a socialist country.

In January 1988, core elements of the chuche ideology faction at various campuses, including Cho Hyok (senior at Korea University), Chang Won-sop (junior at Korea University) and Yi Chol-u (senior at City University), launched the underground revolutionary organization "Anti-U.S. Youth Society" under the struggle line of "national liberation and popular democratic revolution," which was identical with North Korea's South Korean revolution line.

In October the same year, however, most of the organization's core elements were arrested for acts including posting wall posters distorting facts in the KAL jetliner incident. This led to the disintegration of the organization.

Then in December 1988, "Hyon-su" (cover name; Seoul National University [SNU] 1983 class), known as godfather of the chuche ideology group, won over the remnants of the Anti-U.S. Youth Society and six core members of the chuche ideology factions at major universities, including Choe Won-kuk (University of Foreign Studies graduate), who had insisted that the opposition run a single candidate in the 12th [1987] presidential election.

They plotted to form an underground revolutionary organization to thoroughly carry out the Hanminjon policy of South Korea revolution and began mustering some 200 chuche ideology group members from more than 10 universities, including SNU, Korea and Yonsei Universities, University of Foreign Studies and Chungang University. Thus came the organization Chamintong, which then adopted its program and rules identical with those of Hanminjon, declaring itself an underground communist revolutionary organization.

Perceiving North Korea as the Only Legitimate Government

It is the conclusion of investigation agencies that the goal of Chamintong, needless to say, was the reunification through communist revolution and the building of a socialist country. In fact, Chamintong was found to have followed the line of "national liberation and popular democratic revolution," namely the NLPDR line, as its revolutionary doctrine.

The NLPDR line here means the revolutionary logic that "a popular democratic revolution can be attained only when the workers as the chuche of the revolution overthrow the United States, which is No. 1 enemy, with North Korea's aid." It was concocted in early 1986 by Kim Yong-hwan of the SNU Classics Research Society (then 23 and a law school senior).

The points of this line are:South Korea is a "colonial, semi-capital society" subservient to U.S. imperialism in all aspects including the political, economic, cultural and military; therefore, all the masses should form an anti-U.S., national salvation and reunification front to overthrow the U.S. imperialists, the ruling class over the South Korean masses, achieve national liberation and to build a popular democratic society centering on the working class; the current period is a "preparatory period for revolution" and the immediate struggle should be "anti-U.S. struggle." After all, there was absolutely no difference between all this and the North Korean line of national liberation and popular democratic revolution.

Meanwhile, Chamintong claimed that the United States—through its military occupation—controls South Korea politically and socially, and that the present South Korean regime is nothing more than a "colonial regime" or a proxy for the United States. In reference to South Korea's economic system, Chamintong defined it as "semi-capitalist system" in which the basic means of production are in the grip of U.S. and other foreign monopoly capital and comprador elements, preventing normal national capital and national industry from developing, in which the outdated landlord-tenant relationship still exists.

This so-called "social components" theory is also identical with the North Korean perception. Until the 1960's, North Korea had defined the South Korean society as "colonial, semi-feudal society"; since the fifth party congress held in 1970, however, its propaganda has labeled it "colonial, semi-capitalist society."

Building of Socialist Country as Its Goal

Chamintong's strategy for revolution, identical with North Korea's South Korea communization strategy, calls for: rallying anti-government forces in a united front in the first phase; driving out the United States, overthrowing the present government and establishing a "sovereign national government" through a popular uprising in the second phase; removing counterrevolutionary elements and attaining reunification through coalition with the communist North in the third phase.

To achieve this goal, Chamintong had worked out plans to mobilize workers, peasants, and progressive youth and students as the leading revolutionary forces, and the urban petty bourgeoisie, indigenous capitalists, middle- and small-scale merchants and industrialists, patriotic members of the military forces, conscientious religionists, and progressive intellectuals as revolutionary allies.

According to the disclosure, Chamintong also adopted the directions of the three struggles as propagandized by North Korea for communist revolution in South Korea, with no modification at all. Its "directions of the three struggles" call for a graduated approach to the anti-U.S. sovereignty struggle, the anti-fascist democratization struggle, and the struggle for expediting the reunification of the fatherland. Chamintong had also worked out struggle tactics for each period through 1995, the year that North Korea had designated as "the first year of a reunified Korea."

Specifically, according to its planned tactics, Chamintong was to spend 1990 and 1991 overcoming the division and factionalism within the activist camp, achieving unity and building bases among the masses for the revolutionary struggle. It defined 1992 and 1993—the period including the National Assembly and presidential elections—as the "period for the decisive battle" between the national democratic forces and the colonial fascist forces. Chamintong planned to lead the "national democratic forces" to victory in these elections and thereby to establish a "democratic coalition government." According to its tactics, Chamintong planned to establish a "national sovereign government" in 1994 for reunification through coalition with the communist North.

Meanwhile, as a tactic for the immediate period to cover up the true colors of its reunification-through-coalition-with-the-North scheme, Chamintong focused on political struggle. It allegedly issued detailed instructions to lower-level groups to: reinforce the political struggle front and revitalize the anti-Democratic Liberal Party [DLP] struggle; shatter the South Korean Government's Northern Policy and create a situation favorable for the reunification movement; build a lower-level "allied democratic front" through revitalized allied joint struggles; prepare grass-roots bases of the anti-DLP struggle through stepped-up allied mass struggles.

Let us take a look at Chamintong's organizational system.

Chamintong, following in the footsteps of Pak Tal, who during the Japanese imperialist rule created the "committee for inexpensive operations" and led the anti-Japanese armed struggle to victory, formed the "six-member operations committee" for core leadership, with the "organizational chuche," "policy chuche" and "propaganda chuche" divisions under it to show its resolve to thoroughly embody the chuche ideology.

In this connection, investigating authorities characterized Chamintong as organizationally an unlawful revolutionary vanguard seeking reunification through coalition with the communist North, as a pro-North vanguard blindly following Hanminjon's program and struggle line, and as a group plotting struggle to practice the Kim Il-song chuche ideology and realize the Kim Chong-il leadership.

It was also revealed that Chamintong had formulated its four-point organizational guidance principles, namely, to practice the Kim Il-song chuche ideology, establish the revolutionary viewpoint of the organization, strengthen the revolutionary organizational discipline, and to fulfill the revolutionary tasks. All its covert activities were carried out in keeping with these guidelines.

Chamintong saw North Korea as the only legitimate government on the Korean Peninsula. The reasons cited by Chamintong members were that: North Korea is a sovereign state established as the result of an armed struggle against the Japanese imperialists; the Korean war was a national liberation war fought in defense of national sovereignty against outside forces; North Korea is a democratic society in which the people take part in political and economic activities on their own initiative; North Korea is a self-supporting state where the cement, steel and coal production and the per-capita electricity, grain and fish consumption surpass South Korea; the proportion of students to the population is higher than in South Korea and the North Korean education is better developed as seen in its 9-year compulsory education system; Kim Il-song fought for the independence of the fatherland as a guerrilla fighter; while his prolonged stay in power poses a problem, Kim Il-song nevertheless is a great leader who led the anti-Japanese armed struggle; Kim's chuche ideology is a superb philosophy that attaches greatest importance to man on the basis of a revolutionary world view; all in all, North Korea is a supporting force for a South Korean revolution and a model for socialist countries the world over.

Based on this perception, Chamintong devoted itself to carrying out instructions from Hanminjon, the North Korean vanguard organization, according to investigating authorities.

Resolved to "Offer My Life" Under the Chuche Ideology

Meanwhile, according to analyses by authorities, Chamintong views Hanminjon as the base of theoretical leadership for the South Korean revolution, and as the only "patriotic vanguard" for the South Korean masses, since it is the greatest source of theories on the South Korean revolution. Also, in respect to the Hanminjon-operated VONS radio, Chamintong members said, according to authorities, that they understood that the broadcasts were by Hanminjon members who had been operating in South Korea before they went over to the North, and that they were based on reports from the headquarters in Seoul.

Following is the history of Hanminjon which Chamintong followed virtually blindly: Kim Il-song stressed at the fourth party congress in September 1961 that "to attain the South Korean revolution, we must have a Marxist-Leninist revolutionary party inside South Korea; then, in March 1964, Kim Chong-tae, under Kim Il-song's instructions, formed the "preparatory committee for the founding of what was to be the Revolutionary Party for Reunification [RPR]" in Seoul. Kim Chong-tae was taken into custody while engaged in covert activities in the so-called RPR case in July 1968; after that, in August 1969, North Korea reported the revival of RPR, introducing the declaration and program issued in the name of the RPR Central Committee; meanwhile, the RPR Japan mission was formed in April 1980, and the organ "National Salvation Front" was launched on 1 July 1985 and it continued to be published twice a month; in July 1985, the RPR changed its name into the National Democratic Front of South Korea (Hanguk Minjok Minju Chonson, Hanminjon for short).

According to analyses, North Korea used Hanminjon as a front to show as if a revolutionary leadership led by the chuche ideology had been formed in South Korea. It attempted to unite leftist forces in South Korea under the Hanminjon leadership and turn them into a vanguard force in the struggle to overthrow the establishment. North Korea, according to the same analyses, schemed to use Hanminjon to justify its support of the leftist forces in time of emergency.

Also, Hanminjon-operated VONS is, according to the same sources, North Korea's clandestine radio engaged in transmitting struggle guidelines to leftist forces in South Korea for each period, and in broadcasting exaggerated or fabricated reports on alleged upsurges of the chuche ideology and on demonstrations and incidents involving leftists in South Korea to fan their struggles, thereby stirring confusion in the South Korean society.

A new Chamintong member would resolve before Kim Il-song's portrait to "offer my life for national liberation and the reunification of the fatherland under the banner of the chuche ideology and Hanminjon." Also, members would offer a silent prayer before each meal to express their respect for Kim Il-song. Chamintong thus followed Kim Il-song faithfully.

Chamintong members, they say, used to sing the "Song of Hanminjon" or the "Song of Mt. Changbaek" during their ideological study hours to reaffirm their resolve to fight on. Moreover, they considered themselves the communist revolution vanguard armed with the chuche ideology. They had faith in Kim Il-song's chuche ideology as the guiding ideology for the South Korean revolution.

In April 1989, Chamintong had Song Kap-sok (student association chairman, Chonnam University business administration school) and Yun Chin-ho (student association chairman, Korea University engineering school) join the organization in an effort to gain control of activist students at various campuses.

In January 1990, the Chamintong Operations Committee resolved that "in order to enhance the symbolic meaning of 1990 marking the 10th anniversary of the Kwangju uprising, let us make efforts to see the Kwangju region take on the Chondaehyop chairmanship." The resolution was then transmitted to members including Choe Won-kuk, member of the Operations Committee; Ku Hae-u (alias Yu Han-kil, Korea University graduate); Song Kap-sok, Yun Chin-ho, Kim Ki-sok (student association chairman, University of Foreign Studies); and Yi Yon-hui (alias Min Tong, Chungang University philosophy school 1985 class).

A month later, at a "Central Committee meeting to elect Chondaehyop's fourth leadership," they first ran Song Kap-sok and Yun Chin-ho as candidates for chairman, then had Yun voluntarily withdraw his candidacy before the voting to make sure that Song was elected chairman.

Plot To Topple Government, Incite Popular Uprising

Chamintong members assigned to other major Chondaehyop posts included: Choe Ki-yong (senior of the University of Foreign Studies English school), chief of the Secretariat; Yi Yon-hui, vice chairman of the Policy Committee; Yun Chin-ho, chairman of Sochongnyon; and Kim Ki-sok, member of the Eastern Region Policy Committee of Sochongnyon. Thus, Chamintong gained control of Chondaehyop completely.

Chondaehyop divides the country into 24 districts, each having its district general student council. The central committee, made up by the representatives of the 24 districts, represents Chondaehyop's supreme leadership; under the Central Committee are the Secretariat, the Solidarity Program Department, the Propaganda Department, the Editorial Department, and the Cultural Department. The Central Policy Committee, an advisory organ, virtually acts as Chondaehyop's top decision-making body. Also as a special body exclusively in charge of reunification struggle affairs, Chondaehyop has the Student Committee To Promote the Peaceful and Self-Dependent Reunification of the Fatherland.

Chondaehyop is, both in name and reality, an organization of overt struggle in control of activist student struggles at campuses of 150-odd colleges and universities across the country. It is an organization of the so-called chuche ideology faction, with members under the NL [NLPDR] influence controlling most of the central posts, including the Central Committee, and local executive posts as well. Chamintong members were planted in major Chondaehyop organizations such as the Policy Committee and the Secretariat to exercise their influence for all practical purposes.

Meanwhile, authorities view Sochongnyon, ostensibly an affiliate of Chondaehyop, as actually forming the core leadership of Chondaehyop exercising influence over all the university campuses in the country.

Sochongnyon has under it the Standing Committee, the Policy Committee, the Executive-Coordinating Committee, and Hakchuwi [the Student Anti-U.S., Reunification Struggle Promotion Committee]. The 10-member Policy Committee draws plans on struggle and policy directions, presenting them to the 10-member Standing Committee—the organization's supreme deliberative body. Based on the final plans adopted by the Standing Committee, the Executive-Coordinating Committee makes further plans to carry them out, which are then forwarded to executive organs—the Struggle Department, the Propaganda Department, the Solidarity Program Department, the Secretariat, the Editorial Office, the Cultural Department, and the Scholars Subcommittee—for implementation. Especially, Sochongnyon has Hakchuwi under it to lead the anti-U.S., reunification struggle. Hakchuwi determines the direction of any anti- U.S., reunification struggle by students, instructs member universities on the decision and monitors progress in their implementation.

Sochongnyon's major staff posts are also under the influence of Chamintong. According to the disclosure, Chairman Yun Chin-ho, Standing Committee member Kim Ki-sok, and Eastern Region Chairman Song Kyupong are all Chamintong organizers.

According to the disclosure, Song Kap-sok joined Chamintong in April 1989 and, after working as chief organizer at Chonnam University, was elected chairman of Chondaehyop in February 1990 as a result of Chamintong's organizational campaign.

Since January 1989, Chamintong has, under its Propaganda Chuche department, operated a three-member team to monitor North Korean radio broadcasts. This team monitored VONS broadcasts daily, printing them in the Chamintong organs such as "SELF-DEPENDENCE, DEMOCRACY, REUNIFICATION" and "NEW GENERATION" using word processors, for distribution seemingly for use as a guide in the members' ideological arming struggle.

In fact, North Korean Broadcast Catching Teams (or B.C. Teams) were organized separately in more than 20 universities including Korea University, University of Foreign Studies, and Chonnam University. Materials thus monitored, including those of the chuche ideology, would be printed and passed on among members for studying.

Also, according to the disclosures, they listened to Hanminjon's VONS and, based on contents of the broadcasts, made pamphlets such as "Morning Sun" and "Theses of Philosophy" for distribution through members and student associations at various universities for use in the chuche ideology study programs they organized.

Meanwhile, more shocking was the disclosure that in order to secure Chamintong operating funds, Operations Committee member Choe Won-kuk, South Chungchong regional head Chon Sang-hyon, and South Cholla regional head Kim Tong-kyu reprinted the North Korean book "Ajirengi" ["Heat Haze"] under the title of "Azalea" and sold it to the public for 3,800 won each.

Especially, in June 1989, Chamintong got Choe Won-kuk and Chon Sang-hyon to instruct In-su and Chin-ho (both cover names), members in Kwangju, South Cholla Province to work with "Kihoek Chulpan Han," a printing house in Kwangju, and reprint and publish the "Chuche-Based Revolutionary View of The Organization" from the North Korean original on 30 July 1989.

Furthermore, in September 1989, Kim Tong-kyu, under Choe Won-kuk's instructions, received 50 sets of the two-volume reprints of the North Korean original "The Peerless Great Man," 100 books altogether, at Chipyong Bookstore in front of Kyonghui University. He distributed them to members in the Chunchon and Kwangju areas for selling. In the same month, he also received 130 volumes of "Let Us Firmly Understand the Chuche Ideology" at the same bookstore and distributed them to members in the Kwangju and Chunchon areas.

It appears that Chamintong's final target in the series of struggles (?) like this was the anti-imperialist struggle. Therefore, its members devoted their energies to anti-U.S. struggles, attacking and setting fire at the American Embassy and U.S. Cultural Centers.

In fact, investigating authorities found in February 1990 documents in which Chamintong Operations Committee member Ku Hae-u instructed Chondaehyop Chairman Song Kap-sok to "get the 1,000 campuses of universities across the nation to simultaneously apply for authorization to visit North Korea so as to spread the mood for anti-U.S., reunification struggle, popularize and broaden the reunification struggle."

On 6 March 1990, Song Kap-sok proposed at a Chondaehyop Central Committee meeting that the "struggle at each campus for a simultaneous North Korea visit" be made the year's priority program. The proposal was adopted and the "Preparatory Committee for a Student Committee for Expediting the Peace and Self-Dependent Reunification of the Fatherland" was formed on 19 May the same year at the fourth Chondaehyop leadership inauguration ceremony.

In addition, Chamintong sent its delegates to the "Pan-National Congress" on 23 July 1990. Earlier, it had sent Hakchuwi Chairman Chang Kwon-o as a member of the South Korean delegation to the preliminary talks for the congress.

Especially, in mid-July 1990, Chamintong obtained 10 video tapes of three North Korean films—"Salt" extolling the anti-Japanese guerrilla activities, "Story of an Escape" for propagandizing the inevitability of communist revolution, and "Flower Girl" designed to inspire the class struggle consciousness—which had been made to support the "Japan Headquarters of the Pan-National Federation for the Reunification of the Fatherland."

After that, it attempted to show the tapes at University of Foreign Studies Yongin and other university campuses throughout the country, causing melees with authorities.

Meanwhile, the Chamintong Policy Chuche department printed struggle guidelines monitored from VONS broadcasts for forwarding to the Chondaehyop Policy Committee, it was disclosed.

Based on the guidelines thus delivered, Chondaehyop systematically mobilized the suicide squads organized under the social affairs division of the student association at each university and under Sochongnyon and other area federations of student associations, into attacks on and arson at public institutions including police stations, DLP Headquarters and U.S. Cultural Centers, according to the probe.

Forms Radio Monitoring Teams, Scatters Leaflets

The numerous cases of such raids or attempted raids by them in the recent period include these cases: in March 1990, eight members belonging to the Chondaehyop National Salvation Death-Defying Corps attempted to occupy the DLP Youido office; in April 1990, 50 members of the Taegu-North Kyongsang Province Federation of Student Associations stormed the Taegu City Police Department in a surprise attack, setting fire to more than 10 motor vehicles; in May 1950, 21 members from 17 units of the Chondaehyop Patriotic Death-Defying Corps stormed, and holed up in, the DLP Central Headquarters building; in June 1990, some 70 members of a death-defying corps belonging to Namdaehyop [as published] raided the Sunchon branch office of the Kwangju District Public Prosecutors Office, destroying furniture; on 13 October 1990, Chondaehyop led participants on a peace march following a Poramae Park rally into the Noryangjin Railway Station yard for a violent demonstration; and on 18 October 1990, 11 members from eight units of a Chondaehyop death-defying corps attempted to storm the American Embassy to demand an "immediate halt to the UR [Uruguay Round] negotiations."

In late August 1990, Chon Ki-su, a member of the Chamintong Policy Committee member, instructed Song Kap-sok to smuggle two Chondaehyop representatives into

North Korea through the Korean Student League in Japan, an affiliate of Chongnyon [the General Association of Korean Residents in Japan]. The move was aimed at taking the initiative of the 1991 reunification struggle through direct coordination with North Korea.

In early September 1990, Song Kap-song, based on the instruction, allegedly wrote a secret letter to North Korea in the name of Chondaehyop chairman asking the North Korean side to determine the time and method of the planned entry into North Korea. He is said to have attempted to hand the letter to one of North Korean reporters covering the North-South high-level talks in Seoul. Furthermore, toward the end of the same month he asked a staff member of the Libyan Embassy in Seoul to arrange with North Korea for the entry. He was thus working persistently on the smuggling project when arrested by the investigating authorities.

Meanwhile, Chamintong focused on forming a united front with reformists and politicians. In February 1990, by decision of Chondaehyop Chairman Song Kap-sok under instructions from Ku Hae-u, member of the Chamintong Operations Committee, Chondaehyop officially joined the National Alliance and held joint rallies on six occasions, including an anti-DLP demonstration and a rally to condemn the official investigation in the Poramae Park Poansa incident. It also took an active part in the "May Day struggle," the "27 May national rally of teachers," and the "18 October peasants rally against the UR negotiations." By doing so, Chondaehyop allegedly devoted all its energies to the united front work with Chonnohyop [National Council of Labor Movements], the Teachers Trade Union, Chonnong [National Alliance of Farmers], and Chonminnyon [National Federation of Democratic Organizations].

Thus, it became clear that Chamintong is a leftist group faithful to Kim Il-song that is engrossed in carrying out instructions from Hanminjon, the clandestine North Korean vanguard organization.

While denouncing South Korea as a colonial, semi-capital society, Chamintong has been lauding North Korea as a "model socialist state built by President Kim Il-song's brilliant anti-Japanese armed struggle and chuche ideology. It has engaged in open maneuvering, insisting that for reunification through coalition with the North, "a government of the proletariat must be established by driving out the U.S. forces from this land and overthrowing the handful of capitalists and the few persons in power."

Furthermore, Chamintong has turned universities throughout the country into a North Korean propaganda field. It has even printed contents of North Korean broadcasts and distributed them for use as study materials.

In conclusion, it should be stressed that Chamintong is the vanguard for Kim Il-song's communist revolution in the South categorically denying free, democratic institutions, that it is an underground organization devoted to overthrowing the South Korean social system.

Polluting Company 'Likely' To Resume Operation

SK0404082491 Seoul YONHAP in English 0647 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—Doosan Electromaterials Co., slapped with a 30-day suspension March 26 for dumping phenol into the Naktong River, is likely to resume operation early next week.

Deputy Prime Minister Choe Kak-kyu said Wednesday the government planned to revoke the suspension immediately it had repaired its phenol treatment facility since other companies were suffering as a result.

The Doosan Group subsidiary makes 80 percent of the copper-clad laminate used in Korean televisions and videotape recorders.

Choe, who is also economic planning minister, notified Doosan Chairman Pak Yong-kon of the decision on Tuesday so the company could be back on its feet within a week.

Choe also said the government would seek a supplementary budget of 204 billion won (281 million U.S. dollars) this month for the promised 280 million dollars in additional support for the Gulf war.

More Stringent Punishment Sought for Polluters

SK0404035091 Seoul THE KOREA TIMES in English 4 Apr 91 p 1

[Text] Those who pollute rivers and destroy the environment face sterner punishment of up to seven years in prison or 50 million won in fine instead of five years behind the bars or 30 million won.

It was agreed upon in a meeting of leaders of the Cabinet and the ruling Democratic Liberal Party yesterday. To this end, the revision of relevant statutes is sought during a special National Assembly session to open on April 15.

The government and its party discussed a wide range of pending issues such as environmental protection, strategy for the upcoming special House session and measures of arresting price hikes in their meeting.

The two sides agreed to wrap up the amendment of the reform bills such as the National Security Law and the Law of the Agency for Security Planning during the upcoming House session.

However, they agreed not to seek criminal action against the owners of business firms even though their plants are found to have polluted rivers because of fear of discouraging business activities.

In the meeting participated in by party leaders and Cabinet members led by Prime Minister No Chae-pong, they expressed concern about inflation, fearing that the base of stability will be shattered if no proper action is taken.

As a result, the two sides agreed to keep money supply growth below 17 percent, about 2 percent lower than the projected maximum increase.

The reform bills which the two sides agreed to amend include the National Security Law and the Law of the Agency for National Security Planning, which were billed by the opposition camp as being undemocratic.

The opposition camp has long demanded "relaxation" of the laws to be consistent with the change in the security situation in and out of the nation.

Further on Pollution Penalties

SK0404042991 Seoul YONHAP in English 0944 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—Government and ruling party leaders have decided to seek up to the death penalty, or life imprisonment, for people who intentionally discharge toxic waste, resulting in death or injury.

They also decided Wednesday that the environmental preservation law's provisions on water pollution needed revising to increase the penalty on firms that release pollutants.

Current regulations provide for up to five years' imprisonment or a maximum 30 million-won fine. The meeting agreed to propose up to seven years imprisonment or a maximum 50 million-won fine.

Environment Minister Ho Nam-hun said the nation's major water resources would be equipped with automatic quality testing equipment for prompt detection of problems.

The meeting was also attended by Prime Minister No Chae-pong, Deputy Prime Minister and Economic Planning Minister Choe Kak-kyu, Home Minister An Ung-mo, Finance Minister Chong Yong-ui, Justice Minister Yi Chong-nam, Labor Minister Choe Pyong-yol, Information Minister Choe Chang-yun and other ministers and presidential secretaries.

From the Democratic Liberal Party there were Executive Chairman Kim Yong-sam, Co-Chairmen Kim Chong-pil and Pak Tae-chun , chief policy-maker Na Ung-pae, floor leader Kim Chong-ho and others.

On other matters discussed in the meeting, Deputy Prime Minister Choe said the money supply would be restricted at 17 percent to 19 percent by trimming the budget or postponing implementation of large projects.

As a heated construction market is one of the major culprits of inflation, the government will not issue permits for the construction of commercial buildings until the end of June.

Participants agreed to encourage private investment in power plants to prevent a shortage of electric power. The electricity reserve is feared to fall below 2 percent this summer.

Plan for Wage Negotiations Said 'in Trouble'

SK0404042191 Seoul YONHAP in English 0244 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—A government plan to maintain industrial peace by completing pay negotiations early this year is in trouble as only 10 percent of the target companies had reached agreements at the end of March, government sources said Thursday.

The government named 300 firms and institutes, many of them state financed, to set the example in wage negotiations and asked them to reach deals by the end of March, but only 31 complied, the sources said.

To curb inflation, the government proposed pay hikes averaging 5 percent to 7 percent and employees are in no hurry to accept what they think is a stingy offer. The 31 firms settled on raises averaging 6.8 percent.

At the 30 largest business groups, just three of their 539 companies have reached agreements and the hikes range from 7 percent to 9 percent.

In the banks, one of the largest gatherings of white-collar workers, rough sailing is expected as the demand is 19.3 percent and management's offer 5 percent to 7 percent.

Among the 6,590 companies with 100 or more employees, 5.9 percent or 389 have succeeded in settling with an average 9.2 percent hike.

The rate is 11.9 percent at manufacturing companies.

Daewoo Shipbuilding Workers Go on Strike 28 Mar

SK2903014691 Seoul THE KOREA TIMES in English 29 Mar 91 p 3

[Text] CHANGSUNGPO, Kyongsangnam-to—About 10,000 workers at Daewoo Shipbuilding and Heavy Machinery here yesterday went on strike yesterday in protest against the arrest of five of their union leaders.

Unionized workers at the nation's second largest shipyard started to gather at about 8 a.m. to hold the protest rally, instead of reporting to work.

They posted bulletins on the shipyard wall and distributed leaflets, calling for fellow workers to join the strike and demanding the immediate release of the union leaders who were arrested Wednesday.

Union president Paek Sun-hwan and four other union staffers, who led an unauthorized strike late last month after failing to reach an agreement in the collective bargaining with the company, were arrested on charges of violating the Labor Dispute Mediation Law.

Police had obtained warrants from a district court to arrest the union leaders.

On Wednesday, about 1,000 unionized workers walked out of the shipyard to march toward the police station here. Police fired teargas bombs to break up the protesters when the workers held a street demonstration.

Police Arrest More Union Leaders

SK2903061591 Seoul YONHAP in English 0546 GMT 29 Mar 91

[Text] Changsungpo, March 29 (YONHAP)—At the Daewoo shipyard, crippled since Wednesday's arrest of union members, police grabbed seven more union officials in a pre-dawn raid Friday.

At around 3:30 A.M., over 100 policemen charged into the union office. They arrested seven officials who were on an overnight sit-in and took away documents pertaining to wage disputes. Detained were Han Ki-su, 33, the union vice president, and Kim Kyong-su, 29, the union auditor.

The union called a protest rally for 1 P.M. at the shipyard on Koje Island, South Kyongsang Province, as police brought in 1,600 reinforcements for the 2,000 already deployed and gave out 20,000 letters to residents and workers urging restraint and cooperation.

In a collision between police and workers Thursday afternoon, four policemen and two workers were hurt and four workers were arrested. Kim Un-chong, 32, an assembly worker, will be formally charged, police said.

Trade Balance With U.S., Japan, EC Reported

SK0304071491 Seoul YONHAP in English 0639 GMT 3 Apr 91

[Text] Seoul, April 3 (YONHAP)—South Korea's trade balance with the United States and the European Community will improve this year, but with Japan it will worsen, a private economic institute predicted Wednesday.

Exports to the United States, Japan and the European Community are unlikely to increase sharply but imports from those countries will surge, tipping the trade balance in their favor, the Samsung Economic Research Institute said.

Korea runs huge surpluses with the United States and the European Community, but has a massive deficit with Japan.

The three areas account for about 60 percent of Korea's exports and are very sensitive to price competitiveness. In the U.S. market, a 1 percent hike in the prices of Korean goods would lower exports 1.45 percent in the long run.

The drop would be 1.75 percent in the Japanese market and 4.1 percent in the EC.

Exports to the United States would rise 3.04 percent if the real gross national product of the United States rose 1 percent, exports to Japan would increase 0.15 percent if Japan's real GNP rose 1 percent and EC exports would grow 0.32 percent.

Researchers said that after taking these variables into account, they had concluded that exports to the United States would rise 4.1 percent this year and imports would grow 12.9 percent.

Korea's trade surplus with the United States this year will be 1.02 billion U.S. dollars, 42 percent of the 1990 surplus.

The deficit with Japan will not improve. Exports to Japan will increase 8.9 percent but imports will surge 13.2 percent for a deficit of 7.27 billion dollars, up 20 percent.

Trade with EC will produce a deficit of 40 million dollars this year. Imports will grow 19.8 percent and exports 13.4 percent.

Despite multilateral efforts to diversify export markets, the United States, Japan and the EC will remain important for Korea and restoring price competitiveness is vital, the institute said.

Trade Deficit With U.S. Hits Record High

SK2903012191 Seoul YONHAP in English 0101 GMT 29 Mar 91

[Text] Seoul, March 29 (YONHAP)—South Korea's trade deficit with the United States hit 274 million U.S. dollars on a customs clearance basis in February, more than double the previous worst month on record, the Customs Administration said Friday.

The total trade deficit for the month was 1.736 billion dollars, with exports of 4.853 billion dollars and imports of 6.589 billion dollars. The January shortfall was 1.577 billion dollars.

Imports jumped 30.5 percent and exports 10.9 percent in the first two months of the year, the administration said.

Imports for domestic consumption increased 39.7 percent to 9.12 billion dollars and raw material imports for export use rose 12.5 percent to 3.772 billion dollars.

With the United States, imports amounted to 1.511 billion dollars and exports 1.237 billion dollars, sending the deficit above the record of 120 million dollars set in January.

"Imports of aircraft and other transportation equipment soared to 364 million dollars, more than threefold the previous month," an administration official said.

The trade deficit with Japan was 638 million dollars, bringing the January-Feburary figure to 1.327 billion dollars.

Loss in Foreign Exchange Holdings Reported

SK0304062591 Seoul YONHAP in English 0608 GMT 3 Apr 91

[Text] Seoul, April 3 (YONHAP)—South Korea's foreign exchange holdings lost 1.1 billion U.S. dollars in March to a tentative 13 billion dollars, the level of early 1989, the Bank of Korea (BOK) said Wednesday.

It is the first loss of more than 1 billion dollars in one month, a central bank official said.

The balance was 14.8 billion dollars at the end of 1990, 14.5 billion dollars in January and 14.1 billion dollars in February.

The loss was attributed to a snowballing international payments deficit caused by sluggish exports.

Shipments to USSR Down; From USSR Up

SK0304023791 Seoul YONHAP in English 0152 GMT 3 Apr 91

[Text] Seoul, April 3 (YONHAP)—Shipments to the Soviet Union by sea in the first quarter were off 67 percent from the same period last year, but cargo carried by ship in the opposite direction was up 63 percent, shipping industry sources said Wednesday.

Ships carried 1,155 Teus (20-foot equivalent units) of cargo from South Korea to the Soviet Union in January-March, down 67 percent from 3,584 teus a year earlier. Volume from the communist nation during the period was up 63 percent to 743 Teus, from 456 Teus.

The decline was primarily caused by delays in paying Korean exporters for heavy purchases of daily necessities such as toothpaste and stockings early last year, the sources said.

A shortage of containers also was a factor.

Korean shippers are entirely dependent on Soviet containers for Soviet-bound cargo. They received 492 containers from the Far East Shipping Co. (FESCO) this year, down 80 percent from 2,547 a year earlier, as the Soviet Union is short of containers, according to the sources.

Navix line, a Japan-Soviet shipping company that has the exclusive license between Pusan on Korea's south coast and Vostochniy in the Soviet Far East, has weekly sailings with a 500-Teu vessel.

Cargo shipped to Europe or the Middle East from Korea on the Trans-Siberian Railway (TSR) in the first three months was up 160 percent at 3,165 Teus, from 1,221 Teus a year before, they said. Incoming TSR cargo was 1,057 Teus, up 61 percent from 656 Teus.

Businessmen Predict 2d Quarter Economic Rebound

SK0404035891 Seoul YONHAP in English 0214 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—South Korean industry is optimistic about a strong rebound in the second quarter led by stable oil prices and brisk exports, the National Statistical Office (NSO) reported Thursday.

Based on a survey of the 30 largest conglomerates and 920 private firms, the business survey index (BSI) jumped to 152.7 for April-June from 63.8 for January-March. BSI, an indicator of business psychology, reaches 100 if business is projected to sustain the same level as the previous period and surpasses 100 if an upturn is expected.

The high BSI, the NSO report said, was based on stable oil prices, buoyant exports, strong domestic sales, seasonal demand and local elections in June.

An upturn was expected across the board, led by banking and insurance companies (183), conglomerates (180), construction firms (156.3), transportation and warehouse companies (153.3), manufacturers (149.6) and wholesalers, retailers and hotels (145.6).

In manufacturing, the index for domestic sales and exports rose to 138.2 and 126.3, repectively, led by textile, apparel, machinery equipment, chemical, timber and crude metal products.

Distribution Centers To Open to Foreign Firms

SK2903031491 Seoul YONHAP in English 0211 GMT 29 Mar 91

[Text] Seoul, March 29 (YONHAP)—South Korea will virtually open its distribution sector to foreign companies July 1, the Trade and Industry Ministry said Friday.

It will allow foreign distributors to open up to 10 stores of less than 1,000 square meters and handle 36 goods. Currently, the limit is one store below 700 square meters.

The 36 goods are actually 51 by Korean classification standards, and all but 15 are virtually liberated. Of the 15, one is banned completely and the others restricted.

The ban applies to tobacco and antique objects that are part of art collections. The restrictions involve 13 grains, meats, vegetables, fruits, food and beverages in general categories, medicines, cosmetics, books, gasoline, coal and petroleum.

Subway To Meet 75 Percent of Seoul's 1999 Needs

SK0404063491 Seoul YONHAP in English 0602 GMT 4 Apr 91

[Text] Seoul, April 4 (YONHAP)—Seoul's subway network will stretch 400 kilometers by the year 1999 and meet 75 percent of the capital's transportation demand, Seoul Mayor Yi Hae-won said Thursday.

In a report to President No Tae-u Yi said construction of subway lines 5, 6, 7 and 8 would be completed in the first half of 1994 and be followed by four more lines. Lines 9, 10, 11 and 12 will cost 3 trillion won, 25 percent of which will be paid by the central government.

The mayor said a seven-month feasibility study would begin in May on construction of the last four lines and a tentative plan given a public hearing in the first half of 1992. A detailed design will be ready by the end of 1993.

No told Yi to try and complete the construction at an earlier date and to put the lines under areas where the city administration would not have to pay large amounts of indemnity, such as commercial districts and streams. He also ordered steps to ease downtown traffic congestion by constructing detours.

To restore public confidence in piped water, water sources and the process from acquisition to treatment should be thoroughly checked, and firms that do not operate anti-pollution equipment or discharge waste without treatment should be severly penalized, No said.

On other projects, the president said the city should not rely solely on redevelopment of slum areas but also seek to improve the living environment in slums through small projects.

Burma

Karens Force Army Back From 'Strategic' Outposts

BK0504043191 Bangkok THE NATION in English 5 Mar 91 p A5

[By Somchit Rungchamratratsami]

[Excerpt] Mae Sot—The Burmese army laying siege to the Karen headquarters in Manerplaw has been forced to pull back from two strategic outposts just 11 kms away after facing strong resistance and difficulties in logistics supply.

The Burmese withdrawal from Hpawhta and Thipavicho followed the halt early this month of Burmese air strikes, which have been seriously staged for the first time in the campaign against the Karen National Union.

Informed border sources said Burmese troops stationed at Hpawhta and Thipavicho faced not only severe shortages of food, water, ammunition and reinforcement, but also strong resistance from the Karen who were familiar with the mountainous terrain.

"They pulled back some 203 kms from the two camps," said one of the sources who predicted that the Burmese army would continue with its military offensive until the fall of Manerplaw although the air raids have ceased since April 1.

The operation this year differed from the previous ones when the Burmese troops often withdrew after capturing and burning down the camps, according to the sources, who cited field reports as saying that the Burmese were constructing permanent installations in many of the strongholds seized from the Karens.

"They (the Burmese army) will not pull back this time but will move forward slowly until they accomplish their aim of capturing Manerplaw," said one border source. The fierce fighting has currently died down to only sporadic clashes, said the sources.

A Burmese television broadcast, monitored here on Wednesday night, announced the seizure of six major Karen camps and four small outposts since fighting began on March 16. It added that at least 85 bodies of Karen fighters were found, while 20 Burmese soldiers were killed and 79 wounded. The Burmese army also seized a number of weapons and ammunition including 64 rounds of RPG and 7,698 rounds of rifle cartridges. [passage omitted]

Army Chief Addresses Cadets at Military Academy

BK0404120991 Rangoon Domestic Service in Burmese 1330 GMT 3 Apr 91

[Excerpts] Lieutenant General Than Shwe, deputy chairman of the State Law and Order Restoration Council [SLORC], deputy commander in chief of the Defense Services, and commander in chief of the Army, inspected the construction of Nandawun Park inside the Mandalay Palace, renovation work at Mandalay University, and the Military Academy in Pyint-Ulwin. In the afternoon, Lt. Gen. Than Shwe met with officers, noncommissioned officers, cadets, and their family members at the military academy. [passage omitted]

Speaking at the academy, Lt. Gen. Than Shwe said he had come to the academy because he wanted to inform the cadets, who will be serving as junior leaders in the Defense Services soon, about the situation in the country. He said the Defense Services had to assume state responsibilities without prior preparation because of the events in 1988. The country's situation then was marked by absence of law and order and the prevalence of anarchy as well as economic and moral deterioration. The country was about to disintegrate under the influences of leftist and rightist destructive elements who were clamoring for power under the guise of democracy. Under such a situation the Defense Services saved the country from the brink of enslavement. Hence, the Defense Services discharged their duties in accordance with their noble traditions of safeguading the union, sovereignty, and national unity.

After the Defense Services assumed state powers they formed the SLORC and laid down four major tasks that are being carried out relentlessly. He said it should not be viewed simply that the SLORC has been formed with military leaders who are running the country. He said while we are carrying out pressing tasks for the country, we are building a new era and a new system. Politically, the one-party system has been dismantled and a multiparty system is being built. At the same time, a free market economy—an economic system which will go well with the multiparty political system—is being established. In other words, we are carrying out the tasks for the transitional period from one system to another. Therefore, it will be necessary to view the tasks being carried out today by the Defense Services as revolutionary tasks in the transitional period. While carrying out the political and economic reforms, the Defense Services are working through various means in the social field to ensure correct conduct and thought in harmony with Myanmar [Burmese] culture. [passage omitted]

The SLORC is paving the way for a good beginning of democracy and will strive to draft a new state constitution in accordance with Declaration No. 1/90. A national convention will be convened with the participation of representatives from the political parties, national races, experts, and intellectuals to coordinate on the drafting of the new constitution.

The Defense Services have achieved success in their endeavors and this can be attributed to its noble traditions—patriotism, unity within the Defense Services, and comradeship. Therefore, these noble traditions must be maintained perpetually regardless of changes in rulers and military leadership. If we cannot maintain these noble traditions we will face defeat.

We must constantly remain vigilant of internal and external destructive elements who are methodically trying to cause the disintegration of the Defense Services. While there are internal elements who believe they can obtain power only when the Defense Services disintegrate, there are elements abroad who are working toward the disintegration of the Defense Services, which they believe would bring the forces whom they can control and manipulate to power. He said we must forever remain vigilant of the threat from internal and external destructive elements and those who want to obtain power through shortcuts. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

China Said To Support EAEG Establishment

BK0504091791 Kuala Lumpur International Service in English 0800 GMT 5 Apr 91

[Text] China supports the proposed East Asia Economic Grouping, EAEG. The Deputy Minister of International Trade and Industry Mr. Chua Jui Meng said China gave a positive response to the [word indistinct]. He said this to reporters after opening the China Products Exhibition 1991 at the Putra World Trade Center in Kuala Lumpur today.

In his speech Mr. Chua said Malaysia intends to increase direct trade with China. At present, a certain portion of bilateral trade between the two countries is being transacted on an indirect basis through middlemen in Hong Kong and Singapore. The deputy minister pointed out local traders should make direct contacts with their counterparts in China. At the same time, the Chinese government could export direct to Malaysia by appointing more of the local companies as their agents.

He added bilateral trade between the two countries continues to enjoy positive growth. The two-way trade for last year amounted to 2.19 billion ringgit compared to 2.9 billion ringgit in 1989.

Asia-Pacific Countries Said To Support EAEG

BK0504104391 Kuala Lumpur BERNAMA in English 0822 GMT 5 Apr 91

[Text] Seoul, April 5 (OANA/BERNAMA)—Malaysia has received favourable support from several countries in the Asia-Pacific region for its proposal for the setting up of the East Asian Economic Group (EAEG).

Minister in the Prime Minister's Department Syed Abdul Hamid Albar told BERNAMA Friday that he had held informal discussions on the matter with several leaders from the region.

Syed Abdul Hamid, who is leading the Malaysian delegation to the 47th session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) here, said he had taken the opportunity to explain the issue to the leaders from the region following the positive response to the proposal from ASEAN countries at their recent Bali talks.

"And now we want to get the trading powers in the East Asian group to give their support so that it will be a joint effort towards realising this harmonious cooperation within the whole East Asian region in order to meet the challenges of the future in the world," he said.

Syed Abdul Hamid said he had explained to the leaders of the region that the EAEG was not intended to be an exclusive club because being a member of the EAEG did not exclude a country member from embarking on trade and investment activities with any other country outside the grouping.

"We are against protectionism... We are against tariff and non-tariff barriers that close up markets to the less developed or developing world.

"We intend to practice an open market system which is conducive to the bilateral and multilateral arrangements and it does not prevent any member of the group, once it is established, to have links with other regional bodies or any other country," he added.

"We are following the example of other areas where they had a grouping to further the common interest in terms of economy of the region and the well-being of their people," he said.

"The East Asian countries are viewed individually or as a smaller group, they cannot be strong economically. We [word indistinct] one to advocate the slow market economy, we must have a market wide enough to share their destiny [word indistinct]" he added.

The minister was also happy to note that ESCAP executive Secretary S.A.M.S Kibria had stated in his keynote (?address) that ESCAP did not view the EAEG as being inconsistent with its concept of regional cooperation.

"The EAEG will be another regional grouping that will be able to work very well within the concept of ESCAP on the basis of regional cooperation," Syed Abdul Hamid said.

Special Airport Security Committee Established

BK0404075091 Kuala Lumpur BERNAMA in English 0609 GMT 4 Apr 91

[Text] Kuala Lumpur, April 4 (OANA-BERNAMA)—The Malaysian Transport Ministry Thursday formally set up a committee to look into the security of airports and air travel following the hijacking of a Singapore Airlines (SIA) jetliner by four Pakistani terrorists who boarded the aircraft in Malaysia.

Transport Minister Dr. Ling Liong Sik said although no firearms were used in the March 26 hijacking, the government would improve security at the country's airports.

He told a press conference here, the three-member airport security review committee would review the procedures, manpower, and equipment of the airports. It would identify any weaknesses in the security system and introduce new measures where necessary.

The committee is headed by the ministry's secretary-general, Dr Mohamed Nor Abdul Ghani. The two other members are a representative from the board of airlines operating in Malaysia, and the police.

Dr. Ling said the committee, to be assisted by the Department of Civil Aviation and the Immigration Department, would visit all airports in the country. He said the committee was expected to complete its work in two or three months but the government could not be waiting for its report before taking action.

Dr. Ling said the Department of Civil Aviation had also reverted to the decentralised system of security checks following discussions with the police.

On the possibility of allowing only plastic knives to be used in aircraft, Dr. Ling said it was for the airlines to discuss as this was an international matter. It would not be good if Malaysia airlines were to use plastic cutlery while the competition used silver, he added.

He said that according to a report from Singapore's Department of Scientific Services, six canister-type fireworks named "jade flower", one penknife, and two butter knives were recovered from the hijackers who were killed when Singapore commandoes stormed the aircraft.

Singapore

Iraqi Ships Allowed To Enter Port as of 5 Apr

BK0504112691 Singapore Domestic Service in English 1100 GMT 5 Apr 91

[Text] The Port of Singapore Authority says Iraqi flag ships can now enter Singapore from today. In a circular to shipping companies, it says the government has decided to lift the sanction with immediate effect. The sanction was imposed after the Iraqi invasion last August. But, the Trade Development Board says the ban on trade with Iraq continues. It says the United Nations stand on trade [words indistinct].

Communication Partnership Formed With U.S. Firm

BK0404094891 Singapore THE STRAITS TIMES in English 4 Apr 91 p 36

[Text] Singapore Telecom has formed a partnership with a major telecommunications company in the United States to take up a stake in a mobile satellite system.

According to Agence France Presse, Nasdaq-listed Mobile Telecommunications Technologies Corp (MTTC) announced on Monday that it had formed a limited partnership with Telecom to expand its investment in American Mobile Satellite Corp (AMSC).

Under the terms of the deal, Telecom will invest US$30 million (S$52.95 million) in the firm Mtel Space Technologies Limited Partnership (Mtel Space), giving it a 40-percent holding in the venture.

On its part, MTTC, based in Jackson, Mississippi, will put up its existing 12.8-percent interest in AMSC and cash of US$5 million, giving it the remaining 6-percent general partnership interest in Mtel Space.

AMSC has been licensed by the Federal Communications Commission to launch and operate a full-service mobile satellite system providing coverage throughout the US.

It plans to launch and operate as many as three geosynchronous satellites designed to provide a wide range of mobile satellite services to business and governmental agencies.

Other participants in AMSC are Hughes Communications Mobile Satellite Service Inc and McCaw Cellular Communications Inc. Their total funding amounts to approximately US$100 million.

AFP reported that after the financing of AMSC is completed, Mtel Space, Hughes and McCaw will each own a 29.4-percent equity interest in AMSC. The total stockholder investment in the system will be US$140 million, it added.

Trade Posts 14-Percent Yearly Rate of Growth

BK0504130091 Singapore THE STRAITS TIMES in English 5 Apr 91 p 48

[Text] Singapore continued to register a healthy trade growth of 14.3 per cent to [Singapore] $17.1 billion in February.

This makes it the second consecutive month of double digit year-on-year trade growth.

In January, total trade volume increased 15 per cent over the corresponding month last year.

According to the latest figures released yesterday by the Trade Development Board [TDB] in value terms, February's trade rose 15.5 per cent to $16.6 billion, from $15 billion a year ago.

The TDB figures are calculated on a three-month moving average basis.

Both imports and exports recorded strong growth during the month. Total export volume, which amounted to $7.7 billion, rose by 13.3 per cent, while imports grew by 15.2 per cent to $9.4 billion.

TDB said that increased imports of cigarettes, crude and refined petroleum, colour television sets and parts, integrated circuits and computer parts contributed to the rise in imports.

It added: "There was also a delivery of an aircraft costing $220 million from the United States."

Particularly strong growth continued to be noted in the export of locally-made goods like computer products and colour television and radio parts. These were sold mainly to the U.S., the European Community, Malaysia and Japan.

In fact, non-oil domestic exports rose 23.4 per cent to $3.7 billion in volume terms during the month compared to the same period last year.

Oil exports crept up 3.8 per cent to $1.8 billion. In value terms, however, such oil exports surged 39.5 per cent to $1.5 billion.

Re-exports increased 6.8 per cent to $2.2 billion in volume terms. This represented a slower growth compared to January's real re-export growth of 9.9 per cent.

TDB attributed the slowdown to reduced re-exports of electronic valves, video, and sound recorders, radios, electrical machinery, and helicopters.

Cambodia

Hor Namhong Greets Hungarian Foreign Minister

BK0504103491 Phnom Penh Domestic Service in Cambodian 1300 GMT 4 Apr 91

[Text] On the National Day of the Republic of Hungary, Comrade Hor Namhong, foreign minister of the State of Cambodia, conveyed a message of greetings to the Hungarian Foreign Minister His Excellency Geza Jeszenszky.

The message read: I would like to extend the warmest greetings to you. I ardently hope that the relations of friendship and cooperation between our two ministries will continue the same objective. The loyal friendship between our two countries will further develop in conformity with the mutual understanding and based on the reciprocal interests of the Cambodian and Hungarian peoples.

May you have the best of health and achieve new, still greater successes in the implementation of your task.

Countrywide Planting, Harvesting Reported

BK0504105291 Phnom Penh SPK in French 1115 GMT 4 Apr 91

[Text] Phnom Penh 4 Apr (SPK)—According to the Agriculture Ministry's statistics, peasants throughout the country had by mid-March planted over 95,600 hectares of the 160,000 hectares of rice planned for this dry season.

Apart from rice, they had also planted during the same period nearly 39,500 hectares of subsidiary crops such as corn, peanuts, beans, tobacco, sugar cane, sesame, and vegetables.

Furthermore, by 20 March only about 79,440 tonnes of paddy—or half of last year's amount—had been collected.

Resistance Accuses Phnom Penh of Stalling Peace

BK0504115891 Hong Kong AFP in English 1127 GMT 5 Apr 91

[Text] Bangkok, April 5 (AFP)—The Cambodian resistance coalition accused the Phnom Penh Government, in a statement issued here Friday, of stalling the peace process to end the country's 12-year-old war.

The statement followed a letter by Cambodian Premier Hun Sen to French Foreign Minister Roland Dumas and his Indonesian counterpart Ali Alatas on Tuesday calling for a meeting in May of the interim authority that groups the resistance with the government.

The authority, the Supreme National Council (SNC), was formed last year with six representatives each from Phnom Penh and the tripartite resistance coalition which joins the Chinese-backed Khmer Rouge with two smaller U.S.-aided groups.

It has met twice, once in Bangkok last September and again in Paris in December, but has failed to eliminate major differences.

Mr. Hun Sen said in his letter to the French and Indonesian foreign ministers, who co-chair a Paris peace conference on Cambodia, that the next meeting of the SNC would have to wait until May because of unspecified visits abroad by Phnom Penh's representatives to the SNC.

The resistance statement accused the Phnom Penh Government of trying to stall a meeting of the coordinating committee of the Paris conference, which, according to a joint statement issued by the SNC on December 23, was to take place at an "early date" to discuss remaining differences.

France and Indonesia have also called for meetings of both the coordinating committee and the 12 SNC members in Jakarta.

"The Phnom Penh party and Vietnam have tried hard to block these meetings," the resistance statement said, adding that the Indochinese allies "do not want to achieve a comprehensive political settlement to the Cambodian confict."

Vietnam installed the Phnom Penh regime after invading Cambodia in late 1978 to oust the Khmer Rouge, which had ruled since 1975 and was blamed for the deaths of hundreds of thousands of Cambodians.

SRV Forces in Siem Reap Panic Over Shortages

BK0504050291 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 4 Apr 91

[News commentary: "The Vietnamese enemy aggressors in Siem Reap Town Are Increasingly in Great Panic"]

[Text] According to a recent report from Siem Reap town, the Vietnamese enemy aggressors in the provincial town are facing a serious shortage of ammunition, foodstuffs, and medicine. Both wounded Vietnamese and Cambodian soldiers admitted to the hospital there have not been provided with medication or meals, because the meager remains of the medicine and food provisions have been plundered and kept by the Vietnamese commanders for themselves. Moreover, Siem Reap town is under attack from all directions carried out by our resistance forces day and night, plunging the Vietnamese aggressors into growing terror-stricken panic.

The event is clear evidence that the Vietnamese aggressors in Siem Reap town are suffering heavy setbacks and are losing control of the situation, and nothing can save their skins. Their supplies have been blocked because National Route 6, which is an important strategic artery, was dismembered by our national resistance forces and now is out of use. As for the waterway linking Tonle Sap River to Phnom Penh, it cannot be used either because our national resistance forces have attacked and sunk every boat, ship, or other means of transport of the Vietnamese enemies. Moreover, the worst is that they are also unable to use their planes for transportation.

In the situation where the Vietnamese enemy aggressors are facing defeat and are in great panic, our national resistance forces are resolved to join forces with our people in launching more vigorous offensives against the Vietnamese enemy aggressors in Siem Reap town with a view toward completely liberating the town and our entire Cambodian territory in the near future.

SRV Colonels, Majors Killed in Mondolkiri

BK0504031291 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Apr 91

[Text] On 26 March, our national resistance forces ambushed and completely burned a jeep and a motorbike belonging to the race-exterminating Vietnamese enemy aggressors and their lackey puppets in an area between distance markers 4 km and O Cheh on Route 14, Kev Seima District, Mondolkiri battlefield. We killed nine enemy soldiers, including four Vietnamese colonels and three Vietnamese majors, on the spot. We destroyed three B-40 rocket launchers, one B-41 rocket launcher, and three AK's; in addition, we seized three pistols, four AK's, and some ammunition.

On the next morning, the Vietnamese enemies and puppets gathered 100 soldiers in a bid to retrieve their slain commanders. But they were ambushed with mines, and after one hour of fighting, we killed nine more enemy soldiers and wounded 10 others. We also destroyed one B-40 rocket launcher and one B-41 rocket launcher, and we seized four AK's, two AR-15 rifles, and some war materiel.

VODK Urges Further Anti-Vietnamese Efforts

BK0504111791 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 4 Apr 91

[Station commentary: "Cooperate in Thwarting All Kinds of Maneuvers of the Vietnamese Enemy Aggressors and their Puppets and Lackeys To Promote a Political and Comprehensive Solution to the Cambodian Problem in Accordance with the UN Plan"]

[Text] Vietnam and its puppets and lackeys are currently making efforts to carry out all kinds of maneuvers to hinder a comprehensive solution to the Cambodian problem in acordance with the UN plan. On the diplomatic front, the Vietnamese enemy continue to oppose—and do it openly and even more insolently—various UN documents, particularly the 28 August 1990 framework document, the 10 September 1990 Jakarta joint statement, and the 26 November 1990 draft agreement.

The Vietnamese enemy and puppets have again and again shouted their opposition to the role of the UN transitional authority to administer Cambodia in the interim period and the overall supervisory role of the United Nations in Cambodia, particularly in supervising Vietnam's withdrawal. They have refused to dissolve the puppet regime and puppet army set up by Vietnam. They have demanded that the puppet regime and puppet army be maintained so that Vietnam continues to hide all kinds of forces in Cambodia and continues the war to occupy Cambodia.

The stance of Vietnam and its puppets and lackeys opposing the UN plan is increasingly clearer and clearer. Militarily, on the battlefield in Cambodia, the Vietnamese enemy has been trying to extricate itself by gathering troops to attack our Cambodian national resistance forces in western Cambodia, particularly on the Route 10-Pailin, Thmar Puok, and Route 5 battlefields in Battambang Province, and so on. The Vietnamese enemy has used artillery, tanks, and even aircraft, in an attempt to take back liberated zones from our national resistance forces to serve its diplomatic maneuvers and legitimize Vietnam's act of aggression in Cambodia as a fait accompli. However, this is just the final effort of a mortally wounded tiger nearing its death.

All these activities of the Vietnamese enemy aggressors further clearly show the intransigence and stubborness of the Hanoi Vietnamese enemy in refusing to solve the Cambodian problem politically and comprehensively. This also shows that Vietnam continues to implement the Indochinese federation strategy to annex Cambodia. In such a situation, people should continue to cooperate in attacking and more vigorously pressuring the Hanoi Vietnamese enemy aggressors and their puppets and lackeys to force them to accept a solution to the Cambodian problem in accordance with the major documents of the United Nations.

On the battlefield in Cambodia, the entire Cambodian people and the Cambodian national resistance forces, and even Cambodian soldiers, militiamen, and state authorities forced to serve Vietnam—and who have a national conscience for the nation's survival, want their country rid itself of Vietnam's yoke and control, and want to see Cambodia regaining peace, security, and stability, and national reconciliation—clearly realize the necessity to continue to pool their forces to hold aloft the banner of great national union regardless of people's political tendencies or past history. This is in order to continue fighting against the Vietnamese aggressors and the puppets, traitors to the nation, and Vietnam's lackeys; fully thwart and defeat their military maneuvers; dismantle village and commune state authorities of the Vietnamese enemy and replace them with national councils; and fight with the three dont's and three do's movement and the three types of weapons to further bog the Vietnamese down and force them to face more inextricable problems until compelling them to agree to solving the Cambodian problem politically and comprehensively in accordance with the framework document of the five permanent members of the UN Security Council.

It is also necessary for the international community to continue thwarting diplomatic maneuvers of the Vietnamese enemy aggressors by continuing to stand firmly on the framework document of the UNSC five permanent members and continuing to put firm and stronger pressure—political, diplomatic, and economic—on Vietnam, forcing it to agree to fully implement, unaltered, the framework document of the UNSC five permanent members and the 26 November 1990 draft agreement. Only when the international community cooperates with the

Cambodian people and the Cambodian national resistance forces to thwart and defeat all kinds of Vietnamese diplomatic and military maneuvers can a political and comprehensive solution to the Cambodian problem in accordance with the UN plan be quickly promoted to definitively end Vietnam's war of aggression in Cambodia.

VONADK Criticizes Phnom Penh for SNC Delay

BK0504110391 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Apr 91

[Article: "The Hanoi Vietnamese Enemy Aggressors and Their Lackey Puppets Have Shown Their Ugly Faces Openly Opposing the Settlement of the Vietnamese War of Aggression in Cambodia"]

[Text] Complying with the order from the Hanoi Vietnamese enemy aggressors, the Vietnamese puppets and lackeys in Phnom Penh have objected to a meeting scheduled for April in Jakarta. They have pretentiously proposed that the meeting be organized in May instead.

This is another gambit by the Hanoi Vietnamese enemy aggressors and their lackey puppets to further the Vietnamese war of aggression in Cambodia. The world has now more than ever seen through the ugly faces and perfidious tricks of the Hanoi Vietnamese aggressors and their lackey puppets in Phnom Penh. On the one hand, the Vietnamese have continually shipped reinforcements of their troops from Vietnam to join hands with their existing aggressor forces hidden in Cambodia and the puppet troops to intensify their war against Cambodia in order to further wreak utter havoc upon the Cambodian people and to retake liberated zones from the Cambodian National Resistance. On the other, they have opposed the documents of the five permanent members of the UN Security Council [UNSC] as well as the reconvening of the coordinating committee meeting and the Paris conference.

The Hanoi Vietnamese aggressors and their lackey puppets have also objected to a meeting between the Paris conference co-chairmen and the four Cambodian parties. They have presumably tried to block the Cambodian peace process because they have clearly realized that with any meeting to be held within the framework of the Paris conference, the world would apply pressure from all directions to force them to accept the framework document dated 28 August 1990 and the draft agreement dated 26 November 1990 hammered out by the five UNSC permanent members. This is the reason why they have tried with all manner of maneuvers to hold or cook up the meeting.

The called meeting suspension is aimed at providing the Vietnamese and puppets with the opportunity to maneuver to modify the documents and allowing them to show off their muscle with military activities on the battlefield for the purpose of forcing people to amend the documents. The Hanoi Vietnamese enemy aggressors' goal is to invade and annex Cambodia forever. They have painstakingly blocked a comprehensive political solution—to their war of aggression in Cambodia—which will restore genuine independence and peace to Cambodia. If they cannot resist, they will, however, carry out manipulation to have the problem resolved in a disorderly manner so that they are able to cheat to further hide the Vietnamese aggressor troops in Cambodia. As a matter of fact, the Vietnamese have opposed the disarmament and the dissolution of the puppet army and regime. They need to preserve the puppet regime and army so they can continue to hide their aggressor troops in Cambodia.

However, the Hanoi Vietnamese aggressors and their lackey puppets already have their backs to the wall both on the battlefield of aggression against Cambodia and in the diplomatic field. They can never stir up cloudbursts at will—the more the Vietnamese enemy aggressors move, the more they get themselves bogged down and faced with increasingly serious defeats on the battlefield of aggression against Cambodia, in Vietnam itself, and in the international arena.

The issue of reconvening the coordinating committee of the Paris conference has already been agreed upon through the Paris 23 December 1990 joint statement. As for the meeting with the Paris conference cochairmen in Jakarta, it has already been decided as well. The world wants to settle the Vietnamese war of aggression in Cambodia so that Cambodia can recover genuine peace, thereby safeguarding lasting peace and security in the region. As such, the Jakarta meeting and the meeting of the Paris conference coordinating committee will be reconvened in the near future with a view toward forcing the Hanoi Vietnamese enemy aggressors and their lackey puppets to accept the 28 August document as well as the 26 November document of the five UN Security Council permanent members. The Hanoi Vietnamese enemy aggressors and their lackey puppets will never be allowed to dodge no matter what.

VODK Views Phnom Penh Stance on Khmer Rouge

BK0104052291 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 31 Mar 91

[Station commentary: "The Vietnamese Enemy's Threadbare Conditions Recited by the Traitorous Puppets—Lackeys of the Vietnamese—Can Never Impede the Framework Document of the Five Permanent Members of the United Nations Security Council"]

[Text] On 27 March, traitorous puppet Hor Namhong, who has just been promoted to the post of puppet foreign minister by Vietnam for being as loyal to Vietnam as puppets Hun Sen, Heng Samrin, and Chea Sim, told newsmen that his side is ready to take part in a Cambodian four-party meeting in Jakarta with the cochairmen of the Paris International Conference on Cambodia [PICC] if there are guarantees that the Khmer Rouge will not return to power.

Observers pointed out that the Vietnamese puppets in Phnom Penh have kept saying this in an attempt to avoid the Cambodian four-party meeting with the PICC cochairmen for fear that the PICC cochairmen and the tripartite Cambodian national resistance forces will pressure them to accept the framework document dated 28

August 1990 and the draft agreement dated 26 November 1990 that they had officially accepted through the Jakarta joint statement dated 10 September 1990 and the Paris communique dated 23 December 1990 made before the two PICC cochairmen. But, the traitorous puppets will not succeed in this attempt.

The above statement on preventing the Khmer Rouge from returning to power made by Hor Namhong is the same old slogan that Vietnam and the traitorous puppets—Vietnamese lackeys—have been reciting for years. The international community and the Cambodian people are tired of hearing it. They have said that the question of who should and should not hold power has been sufficiently defined in the peace plan of the five permanent members of the UN Security Council [UNSC]—that is, the Cambodian people will decide on this matter through a free election to be organized by the UN Transitional Authority in Cambodia and Cambodian Supreme National Council [SNC] headed by Samdech Norodom Sihanouk and supervised by the United Nations. Except for the Cambodian people—through a free election to be organized by the United Nations and through the SNC—no individual nor group of individuals can decide on this matter. Those who have been installed by the Vietnamese especially have no right whatsoever to decide upon this matter.

Therefore, Vietnam's pretext recited above by puppet Hor Namhong can never impede the peace plan of the UNSC permanent members and the meeting between the four Cambodian parties and the PICC cochairmen.

The PICC cochairmen will certainly do their best to convene the coming Cambodian four-party meeting and pressure the puppets to accept the 28 August 1990 framework document and the 26 November 1990 draft agreement so as to quickly convene the PICC in line with the profound aspirations of the Cambodian people and international community.

Indonesia

Rudini To Seek Clarification on Democratic Forum

BK0404161491 Jakarta Domestic Service in Indonesian 1500 GMT 4 Apr 91

[Text] Home Affairs Minister Rudini welcomes the establishment of the Forum Demokrasi [Democratic Movement] provided that it will truly strive to promote and uphold the Pancasila democratic life. Answering questions from newsmen in Jakarta today, Minister Rudini said anyone can establish any organization or association provided it is not against Pancasila and the 1945 Constitution as well as Law No. 8/1985 on Mass Organizations. Regarding the establishment of the Forum Demokrasi, Minister Rudini said he would seek clarification from Abdulrahman Wahid [a prominent Muslim scholar] who established the forum.

Alatas Returns From Seoul, Addresses Boat Issue

BK0504031091 Jakarta Domestic Service in Indonesian 0000 GMT 5 Apr 91

[Text] Foreign Minister Ali Alatas says the detention of the Indonesian vessel KM Niaga 47 by the South Korean authorities at Inchon port will not affect the excellent bilateral relations. Speaking on his return to Jakarta last night after attending the 47th session of ESCAP [Economic and Social Commission for Asia and the Pacific] in Seoul, Minister Alatas said the South Korean Ministry of Foreign Affairs had given its cooperation in resolving the issue so the case would not affect bilateral relations.

Alatas said he had talked with his South Korean counterpart about the possibility of officially releasing the vessel, which had technically been allowed to sail back to Indonesia. The captain and the three crew members are expected to remain in Seoul for the trial.

Junior Industry Minister Meets PRC Delegation

BK0504111091 Jakarta ANTARA in English 0909 GMT 5 Apr 91

[Text] Jakarta, Apr 5 (OANA-ANTARA)—The People's Republic of China (PRC) offered capital and technical knowhow for the development of Indonesia's phosphate, cement, sugar, and food seasoning industries, Junior Minister of Industry Ir. [academic title] T. Ariwibowo stated here on Thursday.

The junior minister made these remarks after receiving the visiting PRC delegation, led by Guangzhou Deputy Mayor Lei Yu, adding that the visit of the PRC delegation was PRC's response to his proposal to cooperate in the fields of investment, industry, and technology which he made during his visit to the PRC last March. They consider cooperation with Indonesia as very beneficial, he remarked.

He further explained that during its visit to Indonesia from April 3 through 13, the PRC delegation would visit East Java and East Kalimantan to explore the possibility of improving the quality of phosphate rock and of building cement, sugar and food seasoning (vetsin) plants.

According to Ariwibowo, compared with Indonesia, the process of technological transformation in China was faster and wide-ranging from simple to outer space technology. As an example, he mentioned PRC's arms and steel industries which it had developed since the 1930s.

On another occasion, the director general of basic chemical industry, Ir. Wardiyasa, expressed the hope that through PRC technological aid, the quality of Indonesian natural phosphate rock could be improved into basic material for Indonesia's phosphate fertilizer industry. He admitted that to meet Indonesia's requirement of phosphate rock, about 1.2 million tons per year had to be imported, mostly from the Middle East, due to the relatively low phosphate content of domestic phosphate rock, posing difficulties in processing it into fertilizer. In Indonesia, phosphate rock could be found in West and Central Java and on the island of Madura, he said.

According to Wardiyasa, the PRC had not only phosphate rock in big quantities, but had also the technical knowhow to improve the quality and degree of phosphate content of phosphate rock. In that connection, he believed that through cooperation with the PRC the domestic phosphate industry could be developed, as such decreasing dependence on imports.

Laos

PASASON Lists Members of Party Leadership

BK0504032491 Vientiane PASASON in Lao
30 Mar 91 p 3

[List of full members and alternate members of the Lao People's Revolutionary Party's new Central Committee and Politburo; read by Oudom Khatthi-gna, alternate member of the Politburo, at the Fifth LPRP Congress in Vientiane]

[Text] Following is the list of names of members of the Lao People's Revolutionary Party [LPRP] Central Committee:

Full members of the Fifth LPRP Central Committee are as follows:

1. Comrade Kaysone Phomvihan
2. Comrade Nouhak Phoumsavan
3. Comrade Khamtai Siphandon
4. Comrade Phoun Sipaseut
5. Comrade Maichantan Sengmani
6. Comrade Saman Vi-gnaket
7. Comrade Oudom Khatthi-gna
8. Comrade Choummali Sai-gnason
9. Comrade Somlat Chanthamat
10. Comrade Khamphoui Keoboualapha
11. Comrade Thongsing Thammavong
12. Comrade Osakan Thammatheva
13. Comrade Vongphet Saikeu-yachongtoua
14. Comrade Boun-Gnang Volachit
15. Comrade Sisavat Keobounphan
16. Comrade Phao Bounnaphon
17. Comrade A-sang Laoli
18. Comrade Maisouk Saisompheng
19. Comrade Khambou Sounisai
20. Comrade Lieutenant General Ai Souli-gnaseng
21. Comrade Nakhon Sisanon
22. Comrade Inpong Khai-gnavong
23. Comrade Thongsavat Khaikhamphithoun
24. Comrade Yao Phonvantha
25. Comrade Inkong Mahavong
26. Comrade Siphon Phalikhan
27. Comrade Thongloun Sisoulit
28. Comrade Khamphon Boutdakham
29. Comrade Phimmason
30. Comrade Bouathong
31. Comrade Mrs. Onchan Thammavong
32. Comrade Thongmani Thiphommachan
33. Comrade Ounla Sai-Gnasan
34. Comrade Khamsai Souphanouvong
35. Comrade Son Khamvanvongsa
36. Comrade Chaleun Yiapaoheu
37. Comrade Mrs. Pani Yathotou
38. Comrade Khampan Philavong
39. Comrade Siangsom Kounlavong
40. Comrade Somphan Phengkhammi
41. Comrade Bounheuang Douangphachan
42. Comrade Phimpha Thepkhamheuang
43. Comrade Khamman Sounvileut
44. Comrade Khamphong Phanvongsa
45. Comrade Saisomphon Phomvihan
46. Comrade Thongvang Sihachak
47. Comrade Chansi Phosikhan
48. Comrade Onneua Phommachan
49. Comrade Phoumi Thipphavon
50. Comrade Sileua Bounkham
51. Comrade Somsavat Lengsavat
52. Comrade Colonel Somphet
53. Comrade Colonel Douangchai
54. Comrade Soulivong Dalavong
55. Comrade Mounkeo Olaboun

Alternate members of the LPRP Central Committee are as follows:

1. Comrade Thongsi Inthapon
2. Comrade Thongdam Chanthaphon
3. Comrade Mrs. Davon Vongsak
4. Comrade Mrs. Bounpheng Mounphosai

The plenary session has unanimously elected members of the Political Bureau comprising 11 comrades as follows:

1. Comrade Kaysone Phomvihan
2. Comrade Nouhak Phoumsavan
3. Comrade Khamtai Siphandon
4. Comrade Phoun Sipaseut
5. Comrade Maichantan Sengmani
6. Comrade Saman Vi-gnaket
7. Comrade Oudom Khatthi-gna
8. Comrade Choummali Sai-gnason
9. Comrade Somlat Chanthamat
10. Comrade Khamphoui Keoboualapha
11. Comrade Thongsing Thammavong

Beloved comrades, the first plenary session of the Fifth LPRP Central Committee has unanimously elected beloved and respected Comrade Kaysone Phomvihan as chairman of our party.

Spokesman Views Shortcomings in Education Work

BK0504084091 Vientiane Domestic Service in Lao
0000 GMT 3 Apr 91

[Text] During the period of socioeconomic restructuring in Laos, implementation of the educational strategy has not yet been highly efficient.

In his speech delivered at the Fifth Party Congress on 28 March, Khamphan Viphavan, speaking on behalf of the delegates from the Ministry of Education and Sports, said that during the said period, the living and economic conditions of school teachers, professors, students, and pupils have been plagued with numerous difficulties. The quality of education throughout the country remains low. Attention has not been paid to maintaining quality in efforts to eradicate illiteracy. Those who have already undergone illiteracy eradication programs have now become illiterate again. A high percentage of school-age children have had no opportunity to attend school. The training of skilled workers and technical and scientific personnel fails to meet the actual needs of socioeconomic development in the country. The strategy to extend the education network into mountainous regions has not yet been properly implemented. The policy toward school teachers has not been rigorously pursued. In general, the management of education work has not yet been efficient. These shortcomings have caused considerably adverse effects on social, economic, and cultural development in our country.

PRC's Pu Chaozhu Departs Following Congress

BK0404131291 Vientiane Domestic Service in Lao 1200 GMT 4 Apr 91

[Text] The delegation of the CPC led by Comrade Pu Chaozhu, member of the CPC Central Committee, left Vientiane for home at noon on 4 April after attending the Fifth Congress of the Lao People's Revolutionary Party.

Comrade Phoun Sipaseut, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and foreign minister; and a number of high-ranking Lao cadres concerned were at the airport to bid farewell to Comrade Pu Chaozhu and his entourage. Comrade Liang Feng, PRC ambassador extraordinary and plenipotentiary to Laos, and a number of the PRC Embassy staff members were also at the airport to see the delegation off.

During their stay in Laos, in addition to attending the Fifth Lao Party Congress, Comrade Pu Chaozhu and his party laid a wreath at the Monument of Unknown Soldiers and visited some ruins and production foundations in Vientiane municipality and Luang Prabang.

PRC Company To Supply Market With Commodities

BK0504104491 Vientiane KPL in English 0914 GMT 5 Apr 91

[Text] Vientiane, April 5 (KPL)—In line with the party policy of widening cooperation with foreign countries, like many other Lao companies, the Vientiane Electro Company has opened its cooperation with the Chinese Aviation Technology Import-Export Company, the company that recently supplied Y-12 aircraft to Laos.

Its representative to Laos has disclosed that he intends to supply Lao market with over 200 commodities produced by his company. This will be contributive to promoting Lao-Chinese traditional relations, he said.

This Chinese company is bringing in varieties of goods to be exhibited at the Electro Company's showroom on the occasion of the coming Lao new year.

Foreign Communist Parties Greet LPRP Congress

BK0504105091 Vientiane KPL in English 0910 GMT 5 Apr 91

[Text] Vientiane, April 5 (KPL)—The Lao People's Revolutionary Party [LPRP] Central Committee received some more messages of greetings from foreign communist parties: The Socialist Workers Party of Hungary, the Communist Party of Norway, and the Workers' Party of Ethiopia.

The messages sent on the 5th Party Congress acclaimed the leadership of the LPRP to safeguard national independence and well-being of the Lao people and praised the deeds of the party members in service of the people.

These messages also considered the Fifth Party Congress as important event since it determined the strategies of overall national development and the country's political future.

Government To Float Second Lot of Debentures

BK0404030791 Bangkok BANGKOK POST in English 4 Apr 91 p 17

[By Natthaya Chetchotirot]

[Text] The Vientiane Government will float a second lot of government debentures bearing 3.5 per cent interest per month with a three-month maturity.

The Laotian Government succeeded in encouraging public saving when it began the project three months ago, increasing the number of Laotian and even Thai buyers of debentures.

A commercial banker told BUSINESS POST in Vientiane the debenture was guaranteed by the government and paid 3.5 per cent interest every month. The source said Laotians had taken their gold and dollars to buy from the government, while some Laotians had been paid by Thais to buy debentures under their name.

The Laotian financial system had improved and more foreign banks planned to open offices there, the source said. Previously there were only 15 bank offices in Laos, of which two were Thai, namely the Thai Military Bank, which had a representative office, and the Thai-Lao Joint Development Bank. The Thai Military Bank planned to upgrade its representative office in Vientiane to a branch office.

Bank officials had been working on the transition since December 20, 1989, said bank officer Luchai Luchaisa. The Thai Military Bank had opened an office in Ho Chi Minh City in November 1990 after trying out a representative office for one year. The representative office's duty was to liaise with its counterpart bank in Laos to promote benefits for the private sectors of both sides.

Mr Luchai said his office also had to encourage and screen foreign investors to boost investment in Laos. He said the bank had to support the Laotian counterpart in information and technical matters.

Thai Ambassador to Vientiane, Nikhom Tantemsap, said the recent adjustment of Laos' monetary policy aimed to strengthen the Lao kip. Encouragement of the kip's use as the main Laotian currency was being taken seriously. Most Lao people preferred to use US dollars and the Thai baht.

Mr Nikhom said that since March, the Lao Government began collecting monthly water and electricity fees in kip from Lao people and foreign diplomats alike. Previously diplomats paid in US dollars. It was the first time this had been done, he said.

The ambassador said that apart from encouraging the use of the kip as the main currency in Laos, the Lao Government's new monetary policy also aimed to solve the huge disorganised money market, resulting from smuggling of goods across the Thai-Lao border, and to stabilise its fiscal position.

Philippines

Ramos Warns U.S. on Balance of World Security

HK0504105591 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 5 Apr 91

[Text] Defense Secretary Fidel V. Ramos gave a strong warning to the United States not to change the balance of world security in connection with the success of Desert Storm. During his speech before the Foreign Correspondent's Club in Tokyo, Ramos said he still believes that the way to peace will be achieved not only by force but by other means. He cited Japan's example, because it is ready to implement peace through economic development.

Talks on Bases Treaty 'Temporarily Suspended'

HK0504072291 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 5 Apr 91

[Text] The Philippine and U.S. Governments have temporarily suspended negotiations on a treaty which will decide the compensation and length of stay of U.S. military bases in the country. Reports said the suspension will give the two negotiating panels sufficient time to study their respective final positions.

Meanwhile, Foreign Affairs Secretary Raul Manglapus, Finance Secretary Jesus Estanislao, and Congressman Jose de Venecia are expected to meet today to finalize the country's position on the issue.

Health Secretary Alran Bengzon strongly criticized Finance Secretary Jesus Estanislao's announcement about the compensation package offered by the United States. Bengzon said that it was not right to lump together all financial assistance from the United States, whether they be military or economic, and to link them to the maintenance of the U.S. bases in the country.

Editorial on Estanislao's 'Deceptive Propaganda'

HK0504030691 Manila PHILIPPINE DAILY INQUIRER in English 5 Apr 91 p 4

[Editorial: "Estanislao Tries To Pull Wool Over People's Eyes"]

[Text] Deceptive propaganda, Sen. Rene Saguisag called it. And it could very well be an understatement for the low-down trick Finance Secretary Jesus Estanislao tried to pull on the Filipino people.

Returning home from Washington last Monday, Estanislao told the nation the United States was willing to pay up to $1 billion a year for the continued use of their military facilities for 12 years. He was most impressive, talking of U.S. support for "maximum concessionalities" and "flexibility" to ease the "financials" of the Philippine economy. Perhaps out of modesty, he failed to mention that the amount exceeded the $825-million annual compensation demanded by the Philippine panel in the bases negotiations.

However, ordinary Filipinos with the patience to cut through so much economic gobbledygook must be wondering what Estanislao was babbling about. For in fact, he got exactly nothing after 10 days of talks with American policymakers.

The U.S. has not raised its yearly $360-million ante for a new bases agreement, an amount the U.S. president pledges to get from Congress, but which the latter is not committed to deliver.

To pad the account, Estanislao counted as part of the package trade concessions still to be negotiated, plus U.S. support for loans and debt reduction in still unspecified amounts. In the package Estanislao is trying to put together, the Philippines will be classified with the world's poorest nations like Chad and Ethiopia to qualify for low-interest loans from the International Development Association of the World Bank.

The U.S. will ask the Paris Club (composed of Western industrialized nations and Japan) for the restructuring of Philippine loans under easier repayment terms and help beef up its international reserves by supporting certain financing schemes. The U.S. will also provide surplus military, construction and hospital equipment and continue current aid programs like those for housing and food. Finally, the Philippines will sell $3 billion worth of reconstruction bonds primarily to Asian countries that have not made significant contributions to the Philippine Assistance Program.

How loans from international financial institutions, debt reduction by other friendly nations and bonds to be bought by Asian nations (and redeemed later) can be counted as compensation for the bases takes a lot of financial wizardry. When the bases talks began, the administration pledged to establish a new RP [Republic of the Philippines]-U.S. partnership based on equality and mutual respect. But Filipino officials like Estanislao have demonstrated how little they value national pride and dignity.

Early on the U.S. chief negotiator, Richard Armitage, showed everyone who was boss by berating the Philippine panel led by Foreign Secretary Raul Manglapus for conducting "cash-register diplomacy." Now he is saying he won't come to Manila to discuss such vital (to the Philipines) issues as compensation and the duration of a new agreement; he will only make the trip to sign a new agreement.

But if Armitage now sounds like President Bush ordering Saddam Husayn to sign the terms of surrender, it is because Philippine officials have already given him everything. In chasing after the mighty dollar, the administration has been reduced to a grovelling beggar, willing to settle for pledges of U.S. "best efforts" to honer commitments and furiously trying to enlarge and prettify an almost empty compensation package.

Estanislao and his ilk can continue serving their American masters. But never should they be allowed to think they have succeeded in their shameless scheme to hoodwink the Filipino people.

Aquino To Seek Singapore, Japan Support on Debt

HK0504053891 Manila PHILIPPINE DAILY INQUIRER in English 5 Apr 91 p 6

[Text] President Aquino will ask Singapore Prime Minister Goh Chok Tong to support Manila's plan to float U.S.-guaranteed bonds which will be used to buy back part of the country's $28-billion foreign debt, diplomatic sources said yesterday.

The sources said Ms. Aquino will present the bond-for-bases plan to Goh when he visits Manila on April 11.

Manila has asked the United States to finance the bond flotation as part of its payment for continued use of U.S. military facilities under a new treaty being negotiated. Singapore has openly called for the extension of the lease on U.S. bases beyond Sept. 16 when the current RP [Republic of the Philippines]-U.S. Military Bases Agreement expires. Last year, Singapore signed an agreement with Washington allowing military use of Singapore's air and naval facilities.

Foreign Secretary Raul Manglapus said that Manila is also considering Japan as another major buyer of the bonds. Manglapus said Ms. Aquino will also present the bond-for-bases plan to Prime Minister Toshiki Kaifu when he visits Manila next month. Washington has been reluctant to guarantee the bonds because of budgetary problems. Manglapus, however, said a new RP-U.S. bases treaty will convince many countries to buy the bonds.

In a related development, a foreign affairs official told a Senate committee that the United States will have to pull out its troops and war equipment here immediately after Sept. 16 if no new bases treaty is signed by then.

"The Philippine position is that the United States would have to leave after Sept. 16 if there is no treaty. That is the mandate of the Constitution," Raul Rabe, foreign affairs undersecretary and a member of the Philippine bases panel, told the Senate labor committee in a recent hearing. The Constitution bans any foreign military bases in the country after Sept. 16 unless a new treaty is signed between Manila and Washington and the agreement is ratified by the Senates of both countries.

The labor committee is conducting a series of hearings to review government plans for Filipino base workers in facilities which are to be managed by the Philippines under certain agreements reached during the bases talks. Rabe said Washington is insisting that its has one year from Sept. 16 this year within which to complete its withdrawal from the military facilities.

Office Urges Adoption of Polish Debt Formula

HK0404053991 Manila PHILIPPINES NEWSDAY in English 4 Apr 91 p 8

[By Dionisio Tubianosa and Mariquit Almario]

[Text] The government's financial managers are currently evaluating if a "Polish deal" with the Paris Club would also be beneficial to the Philippines if adopted, taking into consideration what the Department of Finance called "trade offs" involved in such a scheme, which enabled Poland to have half of its foreign debt written off.

Central Bank Governor Jose Cuisia Jr. yesterday explained that the deal should be studied closely since the trade offs may affect the country's ability to obtain new loans, particularly from countries like Japan. "So we have to see where the trade off is" Cuisia said.

"Getting a condonation of your existing debt but not being able to get new debts in the future" is something to think about, Cuisia said. Cuisia explained that if the Philippines is able to have some of its debts condoned, it will run smack into Japan's policy of giving new loans only to countries with no record of loan condonation.

Another angle that the government is looking into, Cuisia added, is the rescheduling of its debt which would stretch the repayment period to 25 or even 30 years. "We have to look at that. How far do you extend it to get the same effect" but without actual condonation, he stressed. Cuisia also said the country hopes to reschedule about $1 billion of its foreign debt at the Paris Club meeting this coming May.

Meanwhile, despite reservations of the Department of Finance, observers at the House of Representatives predicted that the chamber would most likely push for the adoption by the government of the Polish formula when the country's debt negotiators meet with the Paris Club next month.

According to data filed by the Congressional Planning and Budget Office, [CPBO] the Philippines could be eligible for the same concessions granted Poland, which resulted in the maturities and grace periods, on a case-to-case basis, to countries that have strong adjustment programs and that have performed well under previous Paris Club agreements," the CPBO said.

The three requirements set by the Paris Club for an indebted country to avail itself of resceduling terms were: Low per capita income; high ratio of Paris Club debt to commercial bank debt; and a heavy debt and debt service burden. Comparing the debt predicaments of Poland and the Philippines, the CPBO found out that Philippines is more deserving than the European country of debt relief, based on the three requirements.

Although the Philippines had an outstanding debt in 1989 of $28.9 billion, which was smaller than Poland's $43.3

billion for that year, the CPBO noted that the Philippines has a heavier debt service burden of $3.4 billion as against Poland's $1.5 billion.

The CPBO, an office created by House Speaker Ramon V. Mitra, observed that the heavier debt service burden meant there is more pressure from foreign creditors for the Philippines to pay its loans. Data gathered by the CPBO also showed that the Philippines has a per capita income of $590, much lower than Poland's $2,070.

The CPBO urged the debt negotiators, composed of Finance Secretary Jesus Estanislao, Cuisia and Philippine National Bank President Edgardo Espiritu, to adopt the Polish formula, and cited the comparative statistics between the two countries. Estanislao, however, earlier expressed his reservations in adopting the Polish formula due to Japan's position against debt-repudiation.

"As of October 1990, the country's indebtedness to bilateral creditors stood at $8.8 billion or 30 percent of the total. The Polish formula, if applied to the Philippine case, offers substantial debt itself," the CPBO concluded.

Considering that the debt negotiators earlier disregarded the House proposal for a two-year freeze on the country's debt payments, the chamber is expected to adopt the position of the CPBO in seeking debt relief. The House last year approved a resolution seeking a two-year moratorium on debt service payments but the debt panel refused to support it. Estanislao said foreign creditors may be antagonized by the measure.

Geopolitics Determinant for Debt Concessions

HK0204045891 Manila THE MANILA CHRONICLE in English 2 Apr 91 p 4

[Editorial: "A Minor Actor on World Stage"]

[Text] The recent decision by President Bush to wipe out $2.6 billion of Poland's official debt to the U.S. has raised a furor in this country. Questions have been raised over why Poland has received generous debt write-off concessions and why Philippine debt negotiators have not obtained similar terms. Persistent critics of the chief Philippine negotiator, the finance secretary, Jesus Estanislao, are asking for his head for being "soft" with the creditors, including the IMF-World Bank, and screaming "treason" and "sellout."

The Polish write-off is so far the biggest official debt forgiveness in the annals of the Third World debt issue. It erased off the books 70% of Poland's debt to the U.S. and it put pressure on other creditor industrial nations, including France, Germany and Japan, to forgive substantial portions of their loans to Poland.

The U.S. decision departs from its former hands-off position on the debt question, leaving it up to the commercial banks to make their own arrangements for reducing the debt burden with debtor nations. This is partly explained by the fact that the U.S. Government is relatively a small lender compared with the commercial banks. By contrast, Japan and most European countries have large portions of their loans in the form of ODA (official development aid), making it easier for them to decide on debt forgiveness. For example, this has enabled France to make a unilateral decision to forgive most of the debts of the poorest nations in Sub-Sahara.

Fears have arisen in Japan and even among commercial banks in the U.S. that the Bush decision on Poland has undermined the Brady Plan—the framework in which such countries as Mexico, the Philippines, Venezuela and Costa Rica have negotiated their own debt reduction schemes with creditors.

Two questions arise: Why did Poland receive such special concessions? Are the Philippine negotiators not tough and skillful enough? The answers are tied. The reson why Poland was given special treatment from the U.S. has something to do with geopolitics. While it is true that Poland, among the former Socialist economies of Eastern Europe, has undertaken the most extensive transformation leading to a market economy, it is also in the heartland of political turmoil in Central Europe. It borders the Soviet Union, and U.S. policy planners fear that if the Polish economy is not propped up, the Polish experiment, as well as its political democratization, might be engulfed in the political upheaval in the Soviet Union.

Poland is on the frontline of the turbulence in Eastern Europe and American policy planners have a vested interest in trying to save Poland from backsliding into economic and political chaos, thereby setting back the democratization trend in the former Soviet bloc countries. In short, Poland is in a region that has more strategic priority to the U.S. and the West than is the Philippines.

There is no denying that the presence of American bases in the Philippines gives us a strategic importance to U.S. as well as Japanese and ASEAN security interests in the Asia-Pacific region. But it seems clear that in the scale of priorities, Poland has a stronger claim to Western priority, so it would seem from U.S. strategic calculations.

Geopolitics therefore appears to be the more important determinant for debt concessions than the skills of negotiators of debtor nations. During the Cold War years, the Philippines had a higher claim to strategic priority, and this accounted for the more generous flow of grant aid to this country. This is no longer the case after the change of the balance of power and risks in the post- Cold War era.

Mr. Estanislao may not be the toughest negotiator we've ever had. One longs for the days of Dr. Miguel Cuaderno, who as former governor of the Central Bank had the extraordinary skill and toughness to squeeze maximum concessions in loan negotiations with the U.S. or even the IMF-World Bank. But Mr. Estanislao is negotiating in another international environment, in which there are many more competitors for the aid resources of the industrial nations. So it is not fair to judge him on the basis of whether he is tough or not.

We wish Mr. Estanislao had the gumption of Cuaderno, but the former is really negotiating with a heavy handicap. He cannot bluster like Lech Walesa of Poland simply because Mr. Walesa has the right geopolitical cards to play—and this is the strategic position of Poland in the transformation of that country into a market economy.

The West will not allow him to fail, despite the fact that the Poles are not nearly as good economic managers as the Filipinos. We are relatively minor actors in the world stage of politics.

Aquino Supports Continued Talks With Mrs Marcos

HK0504025691 Manila Far East Broadcasting Company in Tagalog 0100 GMT 5 Apr 91

[Text] President Aquino supports a decision of the Presidential Commission for Good Government [PCGG] to continue negotiations with former First Lady Imelda Marcos. The PCGG wants the Marcos family to pay $200 million in exchange for dropping the criminal charges regarding the family's stolen wealth as filed before a California district court. The family's stolen wealth is reportedly deposited in Hong Kong.

Earlier, the PCGG's decision was rejected by Solicitor General Francisco Chavez, who insisted that the case against the former first lady should be pushed through.

Rebels Called 'Non-Entity' in Election Outcome

HK0504030491 Manila PHILIPPINES NEWSDAY in English 5 Apr 91 p 3

[By Dario B. Agnote]

[Text] Major General Alexander Aguirre, Armed Forces deputy chief of staff, yesterday said the military rebels would be a negligible factor in the conduct and outcome of the 1992 presidential elections.

Aguirre dismissed the capability of the rebel factions in the AFP [Armed Forces of the Philippines] to influence the 1992 presidential elections in any way. "They (military rebels) cannot be a factor to reckon with insofar as the outcome of the elections is concerned," Aguirre said in a morning interview over radio DZXL. "They will be a non-entity and a negligible factor," he said.

In the same interview, Aguirre also confirmed earlier reports that the AFP leadership planned to reduce its present 10-member joint general staff into seven. He explained that the plan to reduce the joint staff was part of measures to save on manpower and logistics. He, however, declined to elaborate on the plan, claiming it was still on the drawing boards. The current joint staff is composed of 10 staffmembers serving as close advisers to the AFP chief of staff.

Reports show the leadership intends to merge at least two staff positions in the coming years, a plan which was denied last year by then AFP chief of Staff General Renato S. De Villa. Aguirre said the reduction of the joint staff would help save resources that should be provided to regional and area commands.

Biazon Deploying Marines, Army To Fight NPA

HK0504032291 Manila MANILA BULLETIN in English 5 Apr 91 p 1

[By Aris R. Ilagan]

[Excerpt] Zamboanga City—Gen. Rodolfo Biazon, AFP [Armed Forces of the Philippines] chief of staff, said yesterday more Army and Marine brigades will be pulled out from many areas previously threatened by rightist and secessionist rebels for redeployment in provinces infiltrated by the New People's Army (NPA).

Biazon said the problem of communist insurgency in the country is the only remaining problem of the government on the national scale. During a command briefing at the Southern Command (Southcom) headquarters here, Biazon directed commanders to "realign forces to balance troop densities per region to exploit the gains of the AFP against the military and secessionist rebels."

Biazon said the threat of the Reform the Armed Forces Movement-Soldiers of the Filipino (RAM-SFP) and the Moro National Liberation Front (MNLF) has been neutralized by the government forces. He ordered Brig. Gen. Eugenio Reyes, Southcom deputy chief, to move any Marine brigade from Basilan to the communist threatened areas of Mindanao such as Davao del Norte, Agusan del Sur, and Surigao del Sur.

The 2nd Marine Brigade has been deployed in Basilan since the early '70s to counter the threats of MNLF forces. Other Marine brigades in Jolo, Taiwi-tawi, and Sulu are being eyed for redeployment in several strongholds in Mindanao. The AFP chief said the MNLF has ceased to be a threat because of internal factionalism within the organization. [passage omitted]

Wanted Communist Leader Caught at Checkpoint

HK0504040491 Manila DIYARYO FILIPINO in Tagalog 5 Apr 91 pp 1, 2

[By R. Binungcal, R. Andal, J. Arasga, and A. Antonio]

[Text] Authorities yesterday arrested the alleged deputy secretary of the Communist Party of the Philippines [CPP] - New People's Army [NPA] northern district committee in Bataan.

Reports indicated that Francisco Honra, alias Comrade David of Barangay Kalagiman, Samar was caught when his car passed by a checkpoint in Barangay Balsik, Hermosa.

Meanwhile, the NPA killed eight government troopers in an encounter in Allacapan, Cagayan the other day. It was reported that an undetermined number of NPA's ambushed the government troopers who were on patrol, but the government forces, made up of police and Civilian Armed Forces Geographical Unit (CAFGU) troops, were able to return fire. Two of the deceased were policemen while the other six were CAFGU members. No other details were available.

It was also reported yesterday that a young boy was killed and three policemen were seriously wounded when some

50 NPA rebels attacked the 248th Philippine National Police (PNP) Company detachment in Masbate at dawn the other day. Killed was Jojo Amencion, 12, who was hit by stray bullets.

Superintendent Enrique Galang Jr., chief of the Bataan-PNP, said that Honra carried a cash reward of 50,000 pesos for his arrest because of a murder case pending against him in the Orani Circuit Trial Court. According to Galang, the rebel leader admitted that he was presently head of the so-called Section Committee 30 of Bataan. Honra added that the rebels were having difficulties in operating in Bataan and therefore were forced to move out of the province.

Meanwhile, Senior Superintendent Ramsey Ocampo, commander of the Pampanga-PNP, denied yesterday that some policemen from his command supported the communist rebels. Ocampo affirmed that the entire police organization in Pampanga was united, and added: "The PNP in this province have proven time and again that they (NPA) will not succeed and will continue to fail in their attempt to sow terror in Pampanga...."

Ocampo stressed that none of his men is directly or indirectly aiding the CPP-NPA "because the police force in Pampanga is united against the leftist and rightist groups which are out to destroy the government."

In Bulacan, authorities denied that the NPA was involved in the burning of the Expo Rubber Industrial Corp. (ERIC) in Poblacion, Guiguinto. According to Attorney Danila Domingo of ERIC, earlier reports that the company paid revolutionary taxes to the rebels were untrue. He denied that eight persons were missing in the biggest fire to hit Bulacan. Domingo said that even though some people were wounded, there was no report of anyone killed or missing in the incident. He also denied that 500 million pesos were lost in the fire. Loss was estimated at roughly 200 million pesos only.

Domingo added that the workers who were affected by the fire will be transferred to Von Boyage in Barangay Tikay, Malolos, and Shoe Town in Guiguinto, sister companies of the destroyed factory.

Troops Capture NPA Training Camp in Mindoro

HK0504031091 Manila MANILA BULLETIN in English 5 Apr 91 p 10

[By R. Evora]

[Text] Abra de Ilog, Mindoro Occidental—A training camp of the New People's Army (NPA), equipped with guerrilla warfare facilities, was captured yesterday by government troops after six days of fighting.

The Philippine flag was hoisted by the victorious Philippine National Police (PNP) troops headed by Col. Leandro Mendoza, Task Force Mina de Oro Commander, after the hammer-and-sickle communist flag was brought down.

Six helicopter gunships, including four MG-520 Defenders, played a major role in the encounter as they strafed and fired rockets at rebels defending the camp.

The first wave of a 40-man police force, led by Capt. Rafael Aguilar of the 261st PNP district, attacked the NPA camp on Good Friday. Lt. Col. Edmundo Aquino, Oriental Mindoro PNP director, said that the camp was situated in the forested hill of sitio Mamura, barangay Kamuron, between this town and Puerto Gallera, Or. Mindoro.

Series of 'Special Reports' on Military

Armed Forces To Change Focus

HK2503155691 Manila MANILA BULLETIN in English 23 Mar 91 pp 1, 21

[First of a series of "Special Reports" by Aris R. Ilagan]

[Text] Shortly after President Aquino was installed in office in 1986, the government was faced by a new threat, an ultra-rightist rebellion determined to topple her administration. But five years have passed and seven coups d'etat have been attempted since and her administration has remained intact.

Gen. Rodolfo Biazon, after two and a half months as Armed Forces chief of staff, has significantly reduced the rightist threat of the Reform the Armed Forces Movement-Soldiers of the Filipino People (RAM-SFP) with the capture of at least 10 of its top ranking leaders—four of them belonging to the "inner circle" of renegade leader Gregorio "Gringo" Honasan, a former Army Lieutenant colonel.

Although Honasan has so far eluded capture, Biazon adheres to the domino theory that in the end he will get Honasan and the remaining leaders "one by one." In fact, the AFP [Armed Forces of the Philippines] is so sure of this that it has declared the ultrarightist group as a thing of the past.

On the 21-year-old communist insurgency, Defense Secretary Fidel Ramos has boldly predicted the downfall of the Communist Party of the Philippiners (CPP), the New People's Army (NPA) and the National Democratic Front (NDF) in the next few years. Based on the latest estimates of the Department of National Defense (DND), there has been a steady decline in the mass base of the CPP-NPA, plus a weakening of the communist rebel strength in the past four years.

With these developments, the Armed Forces is expected to change its defense mode. President Aquino has directed the military establishment to shift from its present internal defense stance to an external one in the face of the "withering capabilities of extremist forces."

The Philippine Army, which turned 94 a few days ago, has outlined its priorities for the coming years, focusing on improving its rank and file to become more professional, lean and mobile. Under the leadership of Maj. Gen. Lisandro Abadia, the Army command now looks forward to a post-insurgency era when the CPP-NPA will have been decimated. By that tinme, the ultra-rightists, too, will be an impotent force, he said.

The Army is considered the foremost organization of the AFP because of its key role in the government's anti-insurgency drive. The "Lambat-Bitag" operations, a brainchild of Abadia employing clearing operations of communist rebels in a barangay and implementing development programs, has been rated a success. Some representatives of the United States government are reportedly studying "Lambat Bitag" for possible application on some South American countries which are also theatened by communist insurgency.

Abadia said his commitment is to assure the adherance of the Army to constitutional democracy. "Every officer and soldier in the Army must protect and defend the Constitution, obey the duly-elected and constituted authority and follow the chain of command," Abadia stressed.

While other branches of the AFP are vying for modernizing their equipment, the Army has prioritized on "modernizing" the welfare of the soldiers, particularly those in the cutting edge, by providing more welfare benefits for command units in the field.

"Perhaps some of our commanders may be licking their lips given the prepondenance of supplies and equipment used by the allied forces in the Gulf war which is indeed awesome," he said. "In this case there is no basis at all for comparison in terms of volume and technology. But in our own small way we do our best, in fact to go out of our way, to be as fatherly as possible in providing our foot soldiers the supplies and requirements needed in their operational environment."

Morale, Welfare Top Priorities

HK2603041191 Manila MANILA BULLETIN in English 24 Mar 91 pp 1, 20

[Conclusion of "Special Report" by Aris R. Ilagan]

[Text] Changes have come fast in the Philippine Army since Maj. Gen. Lisandro Abadia has assumed command and he has given priority to the morale, welfare, health, and supply needs of all Army personnel.

Abadia has also assured his entire command that he will adhere to a strict justice system to attain the desired morale and discipline in every soldier. As part of the Army's development program, Abadia plans the creation of more engineering brigades to build roads and other infrastructures in remote provinces. A shovel is a better weapon than an Armalite rifle in winning back the hearts and minds of the people in a communist-influenced barangay, he said.

Abadia has taken steps to reactivate the First Scout Ranger Regiment (FSRR). "In an unconventional warfare environment where the individual insurgent is a primary target, our troops must operate the Ranger way," he said. The FSRR was dissolved after the failed December, 1989, coup attempt when about 200 members of the unit joined the rebel soldiers in taking control of the Makati commercial district.

The FSRR soldiers, under the leadership of Maj. Abraham Puruganan, were convinced to surrender by Brig. Gen. Arturo Enrile, superintendent of the Philippine Military Academy (PMA), after occupying several high-rise buildings in Makati for six days.

"This time, in reactivating the (Ranger) regiment, we will be absolutely sure that its members will be imbued with democratic ideals and will not be used by any group for personal interest," Abadia stressed. The reactivated unit will be composed of 10 Ranger companies, eight of which will be distributed among the eight Army infantry divisions and two retained in Fort Bonifacio as manuever units.

The First Scout Ranger Regiment was an important component of the AFP [Armed Forces of the Philippines] campaign plan "Lambat-Bitag" in defeating the CPP-NPA-NDF [Communist Party of the Philippines-New People's Army-National Democratic Front] in far-flung barangays.

The Army will also increase the strength of its special forces to complement its Special Operations Team (SOT), which is mainly made up of Civilian Armed Forces Geographical Units (CAFGU). Abadia said that the special forces will be increased from its present strength of 3,700 men to 10,000 within the next five years.

Abadia is batting for the development of professional, lean, compact, and mobile Army forces for quick deployment in any part of the archipelago. "And as an integrated force, the reserve and the regular personnel of the Army shall be complementary as well as supplementary with each other," Abadia said. The reserve units will cease to exist as mere "paper tigers," he said.

More welfare benefits will be provided, like having additional doctors and dentists to service the field units. Abadia said the Army has started decentralizing the distribution of resources to field units. "In the Army, there are always efforts by coup plotters to recruit soldiers," Abadia noted. "But we have introduced a variety of preemptive actions by addressing and solving mostly the basic gripes and complaints of soldiers coupled with pep talks. Even the coup plotters are now running out of complaints," Abadia said.

Thailand

NLA Passes Bill on Amnesty for Coup Participants

BK0504050391 Bangkok BANGKOK POST in English 5 Apr 91 p 3

[Text] The National Legislative Assembly [NLA] yesterday passed an urgent bill in three readings granting an amnesty to those involved in the February 23 coup d'etat.

Only one assemblyman, Wichai Thosuwanchinda, chairman of the Krung Thai Bank labour union, voted against the bill in the first reading. He left the chamber during the second reading and the bill was unanimously passed during the third reading. The three readings took about 20 minutes.

Deputy Prime Minister Michai Ruchuphan presented the bill, which said the National Peace-keeping Council

[NPKC] had staged the coup on February 23, 1991, out of a wish to avert danger to the nation, the monarchy and the people and to create security, justice and unity.

Its members had not acted in hopes of making personal gain and so should be granted amnesty, Mr Michai told the NPKC-appointed assembly.

Former Prachakon Thai MP [member of Parliament] for Bangkok Prakit Phatthanakun said that while he had no objection to the amnesty, there was no need for it.

A successful coup automatically puts those behind it in charge of the country and their announcements are the same as law.

Krung Thai Bank union leader Wichai Thosuwanchinda said that Article 32 of the interim constitution written by the NPKC already is the same as an amnesty for those involved in the coup, so there was no need for the amnesty bill.

Mr Michai agreed that Article 32 was the same as an amnesty, but said that judges and prosecutors felt it was insufficient. To "protect those who had acted for the benefit of the majority", he said, the amnesty bill was needed.

An assemblyman then called for the debate to be ended and the assembly voted it through, with Mr Wichai being the only member to vote against it.

Suchinda: MPs Must Leave Posts for Cabinet Jobs

BK0504011391 Bangkok THE NATION in English 5 Apr 91 p A1

[Text] Army Chief Gen Suchinda Khraprayun said yesterday he had "advised" the newly-appointed charter drafting committee to draft the constitution in such a way that both MPs and government officials cannot become Cabinet members unless they quit their positions.

At a meeting with the committee members on the eve of their appointments by the National Assembly yesterday, Suchinda also asked them not to draft the constitution to suit anybody, including himself.

The army commander-in-chief also denied that he would form a political party to contest in the next general election.

"I also asked them to abide by the majority view of their committee. Any member should not quit the committee if he disagreed with their majority colleagues," he said, adding that any member's resignation could have a bearing on the body's credibility.

The committee members were also asked to meet the deadline set by the provisional Constitution in drafting the Charter, so the election can be held early, Suchinda said. The interim committee wants the election to come at the year-end but which allows an extension of the interim term to April.

Other than the advice, the committee members were told that they would be given a free hand in drafting the constitution, said Suchinda, who is also deputy chairman of the National Peacekeeping Council (NPKC), which toppled the administration of Gen Chatchai Chunhawan in the Feb 23 coup.

The 20-member committee, which is dominated by academics and legal experts with only one retired army general, was elected by the assembly yesterday. Committee members include Deputy Prime Minister Michai Ruchuphan, who is expected to become chairman of the committee; Kroekkiat Phiphatseritham, rector of Thammasat University; Prasoet Nasakun, chief of the Juridical Council; Arun Phanuphong, former deputy foreign minister; and Sawat Khamprakop, former Solidarity MP for Nakhon Sawan.

Suchinda said his colleagues in the NPKC had agreed to lift the martial law after the National Assembly enacts legislation which will exclusively cover state enterprise labour unions.

His statement is seen as a retreat from the original policy of dissolving state enterprise unions by simply removing the state firms from the State Relations Act. The law guarantees the basic rights of employees, whether they work at state firms or private-run enterprises, to form unions and lay down tools.

The NPKC deputy leader said that the caretaker Cabinet would initiate the new legislation and process it in the appointed National Assembly.

NPKC leader Gen Sunthon Khongsomphong said on Wednesday the martial law would be scrapped soon.

Suchinda said that some of his colleagues wanted the martial law to go one week after the enactment of the new legislation, but he wanted to do away with it one day after it.

Actually, his powers as capital security commander is more extensive than that under the martial law in keeping peace and order but the martial law was needed for the moment merely because it bans rallies, he said.

"Under the martial law, we can detain a trouble maker for seven days only," he said.

On the order by the NPKC to check the assets of the country's seven leading tycoons, normally called jao pho, Suchinda said the authorities made the move to check whether they had resorted to tax evasion.

"We don't have the powers to freeze their assets but if we find any tax evasion, we will take legal action against them accordingly," he said.

The NPKC made it clear shortly after the military takeover that a crackdown on the activities of jao pho was on its agenda to solve "national problems". Another goal was to deprive state enterprise unionists of their power to lay down tools.

He also denied reports that he would set up a political party to contest in the next election.

He said emphatically, "I have no political ambitions. I won't set up a party and I don't want to involve myself with any political party."

NPKC members also recently discussed the possibility of an amnesty for businessmen who confessed to having paid kickbacks to politicians in return for securing multi-million-baht contracts from the government.

"I guess many businessmen would give us very useful information (to facilitate the investigation by the military-appointed committee chaired by Gen Sitthi Chirarot) if we come up with the amnesty," he said.

NPKC May Lift Martial Law Before Kaifu Visit

BK0504023991 Bangkok BANGKOK POST in English 5 Apr 91 p 1

[Text] The National Peacekeeping Council [NPKC] might lift martial law before the visit of Japanese Prime Minister Toshiki Kaifu.

The success of Government efforts to calm the uproar over the NPKC proposal to ban state enterprise labour unions would also determine when martial law would end.

The Japanese prime minister's official visit to Thailand has been scheduled for April 30 to May 2, but has not yet been confirmed. He was to have visited in January but cancelled the trip because of the Gulf War.

NPKC Deputy chairman Suchinda Khraprayun said last night it is only a matter of time before martial law is lifted.

Martial law is still needed to deter instigation of unrest, he said, because the NPKC had received credible reports that former politicians were trying to stir up unrest among students.

He admitted that the corruption probe of more than 20 former politicians and close aides of former prime minister Chatchai Chunhawan had created a lot of resentment.

Some of these politicians are trying to stir up the students, he said.

Asked which campuses were the target of the alleged instigators, he said Ramkhamhaeng University.

Gen Suchinda had said earlier that martial law would be lifted after the problems over the proposed banning of state enterprise labour unions are resolved.

The NPKC wants to remove state enterprise workers from protection of the Labour Relations Act, which would mean disbanding their unions.

The plan has met with opposition from state enterprise labour unions.

It has also prompted warnings of possible reprisals by international labour groups.

Gen Suchinda said last night the matter is now the responsibility of the Government.

Prime Minister Anan Panyarachun has said the Government has to decide whether state enterprise labour union problems had been caused by lack of law enforcement or by the law itself.

Gen Suchinda said last night there will be legal changes to prevent state workers from striking or making demands on labour- and wage-related matters.

However, he said, the workers will be allowed to continue some form of organisation so they could negotiate for better welfare.

Army TV Names Constitution Drafting Commission

BK0404130291 Bangkok Army Television Channel 5 in Thai 1230 GMT 4 Apr 91

[Text] The following are the names of the 20 members of the Constitution Drafting Commission:

1. Michai Ruchuphan
2. Somphop Hotrakit
3. Suchit Bunwongkan
4. Thinnaphan Nakhata
5. Lieutenant General Saming Trailangkha
6. Kroekkiat Phiphakseritham
7. Prasoet Nasakun
8. Sawat Khamprakop
9. Suwat Lipataphanlop
10. Komen Phattharaphirom
11. Witsanu Khrua-ngam
12. Arun Phanuphong
13. Yuwarat Kamonwet
14. Prasan Kumanwisai
15. Khunying Nanthaka Supraphatanan
16. Adun Wichiancharoen
17. Likhit Thirawekhin
18. Thatsaphong Chiamwichit
19. Somsak Chuto
20. Chatri Muangnapho

Out of the 20 members, one is a military officer, two are former members of parliament, seven are academicians, and the rest are civil servants, lawyers, and members of the National Legislative Assembly.

History, Merit of National Constitutions Viewed

BK0504053091 Bangkok BANGKOK POST in English 5 Apr 91 p 4

[Article by Withit Muntaphon, associate professor at the Faculty of Law at Chulalongkon University: "Constituting the Constitution"]

[Text] One of the most intriguing conundrums in Thai history must surely be the rise and fall of the country's Constitutions. To date, there have been 14 Constitutions, the first being that of 1932. As a national document, each Constitution is a testament to the prevalent political conditions and the colourful backdrop of interests. More often than not, constitutional changes have been brought about by force, and it is the latter which leaves its indelible stamp on the national destiny, stultifying the path to full-fledged democracy.

Prior to the current interim Constitution adopted in March 1991, it was the 1978 Constitution which established the rules of the political game for over a decade. It was an imperfect document for many reasons. For exponents of the ideal Constitution as a guarantor of citizens' rights and liberties with entrenched provisions, the 1978 Constitution (and practically all that preceded it) was a disappointment.

Intrinsically, it was more concerned with the relationship beween the three branches of Government—Executive, Judiciary and Legislature, and electoral modalities. Regrettably, it was much less adamant about the issue of rights and liberties.

From the angle of human rights, the 1978 Constitution was illusory for a number of reasons. Unlike the more democratic constitutions of the developed world, this Constitution could not be invoked in ordinary courts of law to challenge the validity of other laws and regulations as violating the Constitution. For that purpose, there had to be resort to a special Constitutional Tribunal, a tedious procedure rarely used and closely aligned with the Executive.

The provisions of the 1978 Constitution concerning human rights only referred to the rights of Thai citizens, thereby marginalising aliens and stateless persons needing protection on Thai soil. Those provisions were also constrained because they were stipulated as "subject to Law" and "subject to national Security." This meant that for real concretisation of the rights inquestion, one had to glance at other laws beyond the Constitution. For example, while Section 37 advocated the right to freedom of association, it was necessary to examine the labour relations legislation to identify the true parameters in regard to trade unions and the right to strike. Inevitably, the constraints were based upon broad notions of national security, enmeshed in the colour of ideology and political expediency.

The substance of the rights provided for in the 1978 Constitution was also of a limited nature. There was no explicit mention of equal rights between men and women. The reference to the rights of children and youths was cursory. The rights of groups or "peoples" such as ethnic minorities and indigenous groups were not recognised. The tone of Part 3 of the Constitution which encompassed various rights had more to do with civil and political rights, e.g. protection from arbitrary imprisonment, and less to do with economic, social and cultural rights, e.g. anti-poverty measures, income distribution, popular development and equity.

On another front, that Constitution's treatment of the inter-relationship between the Executive, the Judiciary and the Legislature underscored the search for a balance of power rather than separation of powers. The fact that members of the Lower House were elected and could participate in the Executive as Cabinet Ministers running various ministries meant that the people's representatives could interact with those elements which were not elected but which held extensive powers at the administrative level, i.e. the bureaucracy.

As noted by an ex-MP recently, the fact that MPs could step into the sanctuary of ministries implied that civil servants would become more accountable to the electorate. As it was, and still is, the ministries which often issue rules and regulations affecting the citizens' livelihood, logic would suggest the need to have the people's representatives present in the whirlpool of those ministries to monitor against transgressions and advance reforms if need be.

Of course, there were weaknesses. The MPs were seen as meddling too much in the daily administration of the bureaucracy. Senior buraucrats were shifted at times to make way for those who enjoyed the favour of those MPs whose mandate covered the relevant ministries. The most serious failing, particularly concerning the ministers of the previous Chatchai Government, was the charge of rampant corruption and the huge infrastructural projects which catapulted the financial spin-offs. These shortcomings are an indictment against personal excesses and advocate strong counter- measures of checks-and-balances. They do not justify the call for separation of powers to prevent MPs from becoming Cabinet Ministers and to propel direct (and separate) election of the Prime Minister.

From the standpoint of electoral modalities, the 1978 Constitution and various related laws aimed to encourage the development of political parties by instituting a method of voting for candidates "en bloc" rather than for individual candidates. The merit of this system was, of course, to build up political parties. However, this gave rise to allegations of vote-buying and less choice on the part of the voters.

While there is much truth in this viewpoint, it is incomplete. Public education and awareness of electoral money-dumping are still underdeveloped, thus indicating the need for a more democratic, educational and socialisation process. The corruption is also due to the pattern of local administration and the fact that the village and sub-district leaders are ensconced in their positions for too long a time. This enables those leaders to accumulate power and to act as a go-between canvassing for political parties seeking to distort the electoral process at the local level.

The fault lies not so much at the hands of those who drafted the 1978 constitution, but rather at the doorstep of the existing Local Administration Law which entitles those leaders to remain in their positions until retirement age. Periodic elections to ensure democratisation at the local level are required but they are still blocked by that law.

Alas, the 1978 constitution is no longer with us and we have instead an interim Constitution coupled with martial Law. The dangers are all too clear. Section 27 of this Constitution provides extensive powers to the current Executive to take whatever measures it deems necessary. It can even adopt retroactive legislation which is impermissible by international standards.

Meanwhile, as one human rights advocate rightly pointed out recently, there is a new face to the current Martial Law. While, in the past, Martial Law tended to be applied only in particular areas such as border zones with genuine security concerns, the present "fait accompli" casts a pervasive shadow over the whole community due to its expanded mandate and geography. As there are so many other laws on the books which can constrain citizens' rights, e.g. existing anti-communist legislation, the presence of Section 27 and Martial Law is all the more unnecessary.

All things said and done, are the failings of the 1978 Constitution enough to justify its demise? The answer is quite simple: look at what the developed democratices of the world would have done. People's Choice, popular participation and people power are bells that have rung and are still ringing throughout the international community. The quest is not so much to radically revamp a system that aspired to democratise. If changes are to take place, simple political wisdom dictates that democratic-organic development matters most.

Thai-Lao Team Finishes Border Inspection

BK0404152491 Bangkok Army Television Channel 5 in Thai 1230 GMT 4 Apr 91

[Text] The inspection of troop withdrawals from disputed areas along the Thai-Lao border, scheduled on 2-4 April, has finished. The two sides have signed a document to verify the withdrawal.

The joint Thai-Lao committee today inspected the Thai side of the border after making two days of inspections on the Lao side. Three helicopters of the Thai Army were used in the inspection, led by Major General Wirot Wachirawat on the Thai side and Colonel Phommachak Southisane on the Lao side.

The inspection was made from Ban Muang Phrae in Na Haeo District, to Ban Na Charoen, Ban Bo Phak, and Ban Rom Klao in Phitsanulok Province, to verify that Thai troops have pulled out from the border and no weapons are in the areas. The Thai and Lao teams then held a meeting to study the content of the document on verification which was later signed.

The document says that both sides have withdrawn their main forces, once deployed for operations along the border, 3 km deeper inside their respective territory, thus creating a distance of 12 km between Thailand and Laos free from troops or weapons, which will reveal any preparations for the use of force or invasion into the other country. The Thai-Lao committee will continue contacts to ensure cooperation. Thailand meanwhile has put its Border Patrol Police and ranger forces in charge of the areas. Laos will place its local militia in charge of the areas.

Foreign Ministry Official on Lao Foreign Policy

BK0404120491 Bangkok Voice of Free Asia in Thai 1030 GMT 4 Apr 91

[Text] Sakthip Krairoek, the director of the Foreign Ministry's Information Department, said the changes in Laos' Political Bureau are that country's internal affairs. Regarding the new Lao policy of emphasizing brotherly relations with Thailand, the Foreign Ministry is ready to respond favorably to the policy, which corresponds with Thailand's policy of attaching great importance to Laos. Thailand is in the process of trying to further strengthen relations with Laos.

Army Denies Chaloem Shot, Killed by Khmer Rouge

BK0504042691 Bangkok BANGKOK POST in English 5 Apr 91 p 6

[Text] An Army spokesman yesterday denied rumours that fugitive Muan Chon Party leader Chaloem Yubamrung, who allegedly had been involved in attempts to distort the assassination plot case, had been hunted down by an army death squad and shot dead in Cambodia.

Acting Army spokesman Lt Gen Narudon Detpradiyut said information contained in leaflets circulated at Parliament House during the Government's policy announcement before the National Legislative Assembly yesterday was false.

He said no army death squad had been set up and that authorities had been ordered to track down Pol Capt Chaloem and arrest him alive.

The leaflet alleged National Peace-Keeping Council deputy leader and Interior Minister Gen Itsaraphong Nunphakdi had personally ordered a covert operation by a death squad to hunt down Pol Capt Chaloem and Maj Gen Manun Rupkhachon, former close aide to ex-prime minister Chatchai Chunhawan.

Maj Gen Manun, who allegedly masterminded the assassination plot, fled the country after the February 23 coup.

He was helped by Fourth Region Provincial Police Commissioner Lt Gen Chan Rattanatham and Fourth Army Region Chief Maj Gen Kitti Rattanachaya, according to the leaflet.

Pol Capt Chaloem, it claimed, was captured by a 50-man death squad, combining forces from the Army and the Crime Suppression Bureau [CSB], while he was hiding in Buri Ram.

The squad leader allegedly had him shot dead by members of Khmer Rouge forces in Cambodia after he had been taken across the border into areas under Khmer Rouge control.

The leaflet was signed by "CSB members who witnessed the incident".

Lt Gen Narudon said he did not know who was behind the leaflet and that mention of the supposed involvement of Pol Lt Gen Chan and Maj Gen Kitti was groundless.

The army spokesman admitted it was difficult for authorities to arrest the two suspects since they could choose many exit routes.

Another Suspect in Assassination Plot Surrenders

BK3003021591 Bangkok BANGKOK POST in English 30 Mar 91 p 3

[Text] Former Young Turk Col Prachak Sawangchit surrendered at Dusit Police Station yesterday and denied involvement in the alleged 1982 assassination plot against national figures.

Pol Col Urai Si-urai, who questioned Col Prachak yesterday, quoted the former Young Turk as saying he would fight any charges against him to clear his name. "There is a judicial process," Col Prachak said without elaborating before leaving the police station yesterday.

After being questioned for about seven hours, Col Prachak received Police chief Gen Sawat Amonwiwat's approval for his release on bail guaranteed with a 500,000 baht bank account, said Deputy City Police chief Thanu Homhuan who heads the police team investigating the assassination plot case.

Two Army officers, suspected of involvement in the case, also surrendered at the police station yesterday. They were Lt Col Surasak Iamraksa and Capt Sutthirak Nakharat, both from an infantry unit in Prachuap Khiri Khan Province's Pran Buri District, Maj-Gen Thanu said. Their testimony was useful to the police probe, Maj-Gen Thanu said of the two officers, who were sent back to their unit for detention after they were questioned by police.

All military officers suspected of involvement in the case have surrendered except Maj-Gen Manun Rupkachon, Maj-Gen Thanu said, adding that police did not know where Manun was. Maj-Gen Manun was to face several charges including illegal assembly, Pol Maj-Gen Thanu said.

Of 43 suspects in the case, police have charged 20, Maj-Gen Thanu said, adding that the search for the rest was continuing. Maj-Gen Thanu yesterday reiterated he would submit the investigation report on the case to the Police chief on Monday for consideration on whether it should be brought to court. As evidence related to the case was very firm, it was believed there were sufficient grounds to prosecute the suspects, Maj-Gen Thanu said.

2 Suspects Confess

BK0204025591 Bangkok THE NATION in English 2 Apr 91 p A1

[By Chaiwut Mansing]

[Text] Officials investigating the 1982 alleged assassination conspiracy made a breakthrough yesterday when two key suspects, who were believed to have led the aborted attempts by former communist guerrillas, confessed to the charges.

One of them accused Muan Chon Party leader Chaloem Yubamrung of bribing them into reversing their original testimonies, given not long after the attempt, against fugitive former Young Turk army officer Maj Gen Manun Rupkachon. Manun was accused of having masterminded the plots against three public figures, including one in a very high place. The two were yesterday brought into a news conference organized by the police investigating team led by chief police investigator Lt Gen Thanu Homhuan after giving themselves up.

Police sources described one of the suspects as a "key" to resolving the long-delayed case that was widely regarded as one of the main reasons for the military toppling the Chatchai government in Feburary.

One of the duo is Withit Chindawong, a well-known former member of the Communist Party of Thailand. The other, Kan Bunmi, was also a former communist insurgent. Both had said in a tape-recorded interview publicized by Chaloem just before the coup that the alleged assassination plot did not target a Royal Family member as previously reported.

Withit and Kan are among at least 16 people apprehended by police for allegedly attempting to assassinate three leading public figures, including a Royal Family member, in 1982. The two had been detained once before following the alleged conspiracy but later were released and put under close watch by police. Their initial testimony reportedly confirmed the allegation that a Royal Family member was an assassination target.

Withit and Kan were separately interrogated for several hours after they surrendered at 10 am at the Crime Suppression Division office in Soi Chokechai 4. Police later allowed reporters to briefly interview Kan, alias Comrade Bunmi. Kan told reporters that Chaloem gave him Bt [baht] 7,000 and asked him to reverse his initial testimony. "He told me that if I linked the highest institution with the case, nobody would be able to help me," Kan said. "He then gave me Bt7,000 which I have now spent."

Armed forces leaders said they ousted former prime minister Chatchai Chunhawan because his government was corrupt and had tried to protect Manun, Chatchai's aide and a key suspect in the case. Police said they were also looking for Chaloem, whose whereabouts have not been known since the coup.

Sources, meanwhile, said Kan had told investigators that he was assigned to assassinate a public figure in a high place but changed his mind and gave himself up to the authorities. The sources said the former communist insurgent was assigned to carry out the assassination plot during a sports event in 1982 at the national stadium. He accepted the task but later changed his mind, resulting in the plot being aborted and angering those who had masterminded it, the sources said. The suspect surrendered to the chief of police in Sritat district in Udon Thani in 1983. Kan was brought from Sakon Nakhon province to Bangkok yesterday.

Police Crack Down on Property Rights 'Pirates'

BK0504034591 Bangkok BANGKOK POST in English 5 Apr 91 pp 17, 26

[Text] Authorities have raided what they say are three of the country's biggest video tape pirates in a move seen as supporting the country's readiness to abide by international intellectual property rights conventions.

The Economic and Finance Crime Suppression Centre (EFCSC), the body directly responsible for suppressing property rights violations, carried out the raids on factories in Bangkok and Pathum Thani.

The EFCSC's trade and commercial investigation deputy-superintendent, Pol Lt-Col [Police Lieutenant Colonel] Ratawit Saentawisuk, said yesterday the raids followed complaints last month from three distributors of American music and video tapes.

The three distributors, CVD Co, Cineads Video Co and International Federation of the Phonographic Industry (IFPI), were acting on behalf of their American suppliers.

Pol Lt-Col Ratawit said that after investigating the allegations and compiling evidence, a task force raided the suspected pirates in Bangkok and Pathum Thani. The three factories raided were thought to belong to the biggest video pirates in Thailand.

He said the raids were the first by the centre against suspected copyright violators after it appointed a special working group to handle copyright, patent and trademark complaints. Distributors of American copyright products previously had to file complaints with district police stations.

Pol Lt-Col Ratawit said he expected the centre to launch raids on suspected major music tape pirates in the near future.

"The bigger music and video tape pirates have now formed many branches so it is very difficult for us to clean up piracy in only one day," he said.

He said the public had to accept that the pirate music and video industry was illegal and copyright owners were fully within their rights to protect themselves against infringements.

Pol Lt-Col Ratawit urged other copyright owners to file complaints with the centre so it could take action against pirates.

"Some times when we raid suspected pirates, we fail to uncover the copyrighted items of those who filed a petition, but we find other material. Unfortunately, we cannot take action without a plaintiff."

The campaign launched by American music and video tape industries follows talks in California on March 8-9 between a Thai delegation and U.S. Trade Representative officials.

The Thai delegation gave an assurance the Government was not ignoring the enforcement of the copyright law, but the American industry must go through the proper channels if it wants any action taken.

It is hoped the assurance and subsequent raids on the suspected pirates will help the country survive the ignominy of being named a 'priority foreign country' and possible retaliatory trade action under Section 301 of the 1988 U.S. Trade Act.

Washington received the request for Thailand to be given 'priority' status from the International Intellectual Property Alliance in the United States.

Priority countries under Special 301 are those whose policies and practices are most onerous or egregious to the U.S. position, and which have the greatest adverse impact, actual or potential, on relevant U.S. products because these countries fail to provide fair and effective protection for intellectual property rights.

If identified as a 'priority foreign country', Thailand will face a formal investigation which could result in the imposition of trade sanctions. A decision is pending April 26.

Sano: World Bank-IMF To Meet 'As Scheduled'

BK0404022191 Bangkok BANGKOK POST in English 4 Apr 91 p 6

[Text] Deputy Prime Minister Sano Unakun said yesterday the World Bank/ International Monetary Fund Conference will definitely be held as scheduled in Bangkok this October. He was answering reporters questions on whether reports that the World Bank would scrap the conference was true.

The Deputy Prime Minister who is in charge of economic affairs said that preparations have been under way in full steam and that it would be Thailand's success to be able to attract leading bankers from all over the world to Bangkok. Foreigners would see that no matter what had happened here, Thailand is still able to fulfil its objective, Dr Sano said.

Concerning a proposal to allow import of passenger cars with over 3,200-cc engines, he said the Council of Economic Ministers has agreed to forward the matter to the Prime Minister for consideration. The matter will then be submitted to the Cabinet next week. He said after announcing its policy, the Government will take concrete action seriously to solve environmental problems. Part of the environmental problems will certainly be solved under this government and whatever remains to be done can be carried out by the next government.

An environmental development fund will be set up to draw contributions from all responsible for environment problems such as industrial plants and hotels to help the Government tackle the problems, Dr Sano said. He said the Finance Ministry will be consulted over the matter and the National Environment Board will have to play a greater role to solve the problems.

BOI To Promote Foreign, Offshore Investment

BK0204040191 Bangkok THE NATION in English 2 Apr 91 p A1

[By Phichaya Changson]

[Text] The Board of Investment [BOI], which has played a crucial role in attracting foreign companies to Thailand to fuel the country's dynamic economic boom, yesterday sprang a major policy surprise when it announced it would promote Thai investment abroad.

In its first meeting chaired by caretaker Prime Minister Anan Panyarachun, the BOI, whose principle role has been to encourage investment in export-oriented industries resulting in massive industrial developments in areas such as the Eastern Seaboard, decided that in future it would also support Thai companies which want to invest offshore.

With this decision, the government will support Thai investors as they actively seek investment opportunities in other countries, following in the footsteps of such pioneering companies as Charoen Phokphand and Unicord. This will involve its active participation in international negotiations, positive legal regimes, tax incentives and provision of business information in their prospective host countries.

For the first time the government has made it clear that Thai investors will receive special help when planning to launch investment projects overseas. In the previous government, there was considerable opposition to BOI upgrading its role, especially from Kon Thappharangsi, former PM's Office minister whose portfolio included responsibility for the board. Kon said then that the time was not ripe for the BOI to seriously promote Thai firms investing overseas.

To date, a number of large Thai firms have expanded to other countries in an effort to establish new markets or to strengthen the markets that they already have. These include the giant Charoen Pokphand Group which has invested in a forestry scheme in China; blue chip stock Siam Cement, which has undertaken ceramic production in the United States; Thai Petrochemical Co, which has a petrochemical complex in China; Saha Union, which has a textiles plant in the United States; and Unicord Co, which took over a tuna firm in the United States. All of these investment schemes were or are being undertaken on the initiative of the individual companies and without any special assistance from the government.

Aside from promoting Thai investors abroad, the BOI stressed that it will still continue to promote local and foreign firms in Thailand. It will also maintain its policies of spreading industry into undeveloped areas, promoting export industries and encouraging the local development of technology. Its other policies are aimed at helping to develop key and supporting industries, encouraging environmentally-friendly projects, and helping Thais to play a bigger role in foreign-owned projects and to gain more subcontracting work.

BOI secretary-general Chira Panuphong said that the policy which stresses the continuation of promoting both local and foreign investment in Thailand is crucial because the investment sector has been going through an uncertain phase for the past few months.

Notwithstanding these external factors, there was also some questions raised about investment opportunities when former premier Chatchai Chunhawan spoke publicly of proposals to scrap or reform the BOI after the machinery import tax was cut steeply.

With yesterday's reaffirmation that the BOI's investment policies would remain unchanged, Chira said the investment sector will receive a big boost to its confidence. He noted that there are both special promotions (through the BOI for selected sectors) and general promotion (through other channels) of businesses and industries.

"Investor confidence will be restored, while the BOI itself is clear with its direction and will be able to carry out its tasks efficiently," he confirmed.

The BOI committee, chaired by premier Anan, also reappointed six subcommittees whose members will, for the first time, include outsiders, such as academics and private sector officials. It also ordered the agency to reduce red tape by streamlining its regulations which would allow for the quicker implementation of projects, and to delegate more authority to the subcommittees. The executive subcommittee, therefore, will be authorized to approve projects worth between Bt40-200 million, up from Bt20-100 million.

The Office of the BOI itself will be authorized to give the greenlight to projects worth more than Bt40 million each, up from Bt20 million. In addition, the petrochemical subcommittee will be changed to the main industries committee, to be chaired by the industry minister. It will handle fertilizer, steel, and other key industries. The main industries committee will hold its first meeting on April 15. This meeting will discuss major issues facing industries, particularly the petrochemical sector which has made a plea for more privileges.

The sector has also raised the issues of infrastructure delays, unresolved prices of intermediate products, and implementation schedule.

—From July 1, 1991, hotel projects in five key cities will not be given tax incentives.

The BOI will only award non-tax benefits, such as permits for foreign staff because the industry has reached saturation point. Projects outside Bangkok, Chiang Mai and other cities, will also receive less tax incentives. The BOI said they will only be exempted from import taxes. The BOI yesterday also approved postponement of nine hotel projects, and promotional privileges for a number of small projects.

Vietnam

VNA Carries Draft Political Report Introduction

BK0504072291 Hanoi VNA in English 0616 GMT 5 Apr 91

[Text] Hanoi VNA April 5—All newspapers in Hanoi today begin carrying in full the draft political report for public opinions before submitting to the 7th Congress of the Communist Party of Vietnam to be held in June.

The introduction of the draft report says:

"The 6th party congress mapped out the line of renewal, thus marking a turning point in the building of socialism in our country. "For many years prior to the 6th congress, our country had been caught in a socio-economic crisis characterized most strikingly by high inflation, the scarcity of food and foodstuffs and consumer goods, the people's hard life and waning confidence. The historic significance of the 6th congress lies in its correct analysis of the cause of that situation and its adoption of major solutions for a gradual escape from it.

"In the process of implementing the resolution of the 6th congress, we have witnessed complicated international developments adversely affecting the political, economic, and social situation in our country. Our foreign economic relations have on some aspects been upset because international assistance to our country has decreased substantially. Certain external forces keep on imposing on us an economic blockade and seeking to isolate us politically.

"Firmly living up to our socialist ideal, our party, state and people have been searching for, and blazing a path of renewal devoid of any preset model, and step by step translating the 7th congress line into life. The successes of the renewal undertaking have been felt by our people and recognized by our foreign friends. Although many difficulties are still ahead, these successes have testified to the ability of the Communist Party of Vietnam and the Vietnamese people to renew themselves.

"The 7th party congress has the tasks of summing up the execution of the resolution of the 6th congress, evaluating what have been achieved and what have not been done, tackling newly arising problems, pointing out our strong points and shortcomings together with their causes, and drawing experience from the main sphere of activity. On that basis, the 7th congress will perfect, complement and develop the renewal policies of the 6th congress and work out major tasks for the 1991-95 period".

In a relevant editorial, the daily NHAN DAN of the CPV Central Committee today says that the party will listen to all constructive, sincere and frank opinions in line with the outlook and method of objective, scientific assessment. T[illegible]aper stresses that the Vietnamese people wish to have a political report worthy of a national party congress which every Vietnamese is looking forward to with faith and hope.

NHAN DAN Criticizes Call For 'Adaptability'

BK0504113591 Hanoi Domestic Service in Vietnamese 1200 GMT 3 Apr 91

[Text] Under the headline: "Adaptability or a Color-Changing?," an article by Dinh The Huynh in the 3 April issue of NHAN DAN said in part:

Discussing the draft documents of the national party congress, many people and natural and social scientists have made legitimate suggestions, urging our party to give appropriate attention to new epochal developments during its course of drafting a national socioeconomic strategem. These useful and heartfelt suggestions are the feelings and earnest desire of our people and also their modest contributions to national construction, namely making the people prosperous and the nation powerful, thus narrowing the gap of poverty and backwardness—a gap that once made us embarrassed and heart-broken— between our country and other countries, especially our neighboring countries.

Unlike the above people, a certain person has claimed himself to be well-informed and far-sighted and to have a broad knowledge thanks to his extensive travels, while looking down on other people, thinking that they are narrow-minded and near-sighted because of their alleged stupidity or disinformation. With scant knowledge of the information technique, of modern communications, and of the changeability of the situation, the one who brought forth the above idea advised our party to adapt itself to new changes in the world.

Adapting oneself to the environment and the objective situation is a must for the survival and development of each creature, each person, each nation, and each population. The problem is to what should we adapt, how, and to what extent so our color is not changed, our identity not lost, and our own self not swallowed up. Adaptability is a must for survival and development but the adaptability will depend chiefly on various objective and subjective factors. Adaptability cannot be done immediately after there is an outcry for it.

Discarding the bureaucratic and subsidy-based system, trying to build up a unified and thorough-going market in the country and to attract all sources of investment, and stepping up diplomatic and foreign trade activities have been the initial efforts of our party and people aimed at blending our economy with the world economy. Is this called adaptability?

Millions of our compatriots are laboriously producing rice and export goods to exchange them for raw materials, machinery, and new equipment. Many of our businessmen and enterprise directors are painstakingly wheeling and dealing to obtain loans, buy raw materials, and seek new markets. Most recently, all of the country, from our leaders to ordinary citizens, were concerned about the outcome of an investment forum held in Ho Chi Minh City. Is this called adaptability?

Although the outcome achieved is still not much, the quality of the Vietnamese society's thinking has developed visibly since the start of the renovation process. By viewing this society in an old-fashioned way through his criticism of certain shortcomings which have already been acknowledged and are being overcome by the party, the person in question only exposed his slow thinking and his non-objective attitude. He is disassociating himself from the mainstream of the people who are struggling to surge forward.

In addition, there are numerous hostile forces wanting to keep our people in poverty and backwardness. To overcome these obstacles, we should take flexible and systematic countermeasures, and there should be absolutely no pleading or empty, boastful words.

After going through decades of war full of sufferings and losses, all the Vietnamese people wish to be let alone so they can work to earn their living. People of conscience cannot help feeling heart-broken at witnessing scenes of internecine wars now taking place in this part or that part of the world. After discussing some viewpoints concerning the current international situation, the article went on:

Firmly maintaining our national identity and being firm on the ideal for which we have chosen and fought, constitute a matter of our conscience and honor. They are also the position from which we adapt to and blend ourselves with the new human civilization in the capacity as an equal member, rather than a dependent, for this will constitute a burden on the community.

Adaptability should not be a changing of colors, like the story about a person who lost his identity by writer Chekov, entitled "The Chameleon." In his Vietnamese translation, writer Nguyen Tuan precisely called this person an opportunistic creature.

Editorial Marks HCM Youth Union Anniversary

BK3003141791 Hanoi Domestic Service in Vietnamese 2300 GMT 25 Mar 91

[NHAN DAN editorial: "The Youth Union Renovates Itself To Be the Real Political Nucleus of the Young Generation"]

[Text] Today, 26 March, is the 60th Founding Anniversary of the Ho Chi Minh [HCM] Communist Youth Union, the reliable reserve force of our party. The union's sixty years is not only marked by the time passed but also by the great contributions of the young who have been continuously marching to accomplish revolutionary duties. In so doing, the union has been an organizer, teacher, mobilizer, and companion of the youths.

On this occasion, we congratulate today's youth union, which is at the forefront of the renovation. Our country is trying to overcome the great difficulties in the path of national construction in the transition to socialism, as youths are badly affected by the socioeconomic crises.

Being the reliable reserve force of the party and the organization of young communists, the Ho Chi Minh Communist Youth Union not only motivates the youths to take part in the renovation but also contributes to solving their problems together with the party and state. Today, the union's attraction to the youth is its material and spiritual benefits and the congruence of these benefits with that of society. It shows clearly that the union's previous working methods based mainly on motivation and activities directed by policies coming from the higher levels and the lack of concern for the needs of youths, has caused the union and the youths to gradually grow apart. That is shown in the decrease in union membership and quality. That also shows that the union esteem has dropped from the youth's point of view. The nonparticipation of union members in union activities are widespread. The majority of organizations in the union are considered to be poor or average.

At the fifth union congress in 1988, there were 4.7 million members. Today there are just over three million. While the country is facing difficulties and the youth union is struggling to renovate, union members have heavy responsibilities, especially when union members are no longer priviledged for employment and school, and when the advantages of being a member are no longer available. Therefore, today's members should establish their responsibility within the union, with youths, and with society.

In the first six months of 1990 nearly 119,000 youths joined the union. Building the union in the new situation means making the youth union strong in confidence and not just in quantity. In order to perform the role as a political nucleus of the youths' movement, the important task is forming a union cadre team with the capacity to communicate and set good examples for youths, as they are better educated, more active, and possess skills equal to the youth of the outside world.

The youths, not to be discriminated against because of background and political class, need to be encouraged to join the Federated Association for the Youth or other associations led by the youth union. The extension of the union's activities has important meaning in motivating youths at the moment.

Resolution No. 25 of the party Political Bureau clearly states that youth work for the society and the building of the youth union are responsibilities of the party committees, governments at all levels, and of the mass organizations. Also, the youth union must grow and solve all problems relating to the rights and duties of the youths.

Doing youth work well is a political duty for the future of the country and the fortune of our nation, and building a strong Ho Chi Minh Communist Youth Union is an important part in the whole youth work.

Dao Duy Tung Speaks at Overseas CPV Seminar

BK0104152991 Hanoi Domestic Service in Vietnamese 0500 GMT 1 Apr 91

[Text] On 29 March, the Overseas Party Affairs Committee held a seminar on experience in overseas party building. Dao Duy Tung, member of the Political Bureau and secretary of the party Central Committee, attended and made some suggestions.

The seminar focused on elucidating the lessons of experience peculiar to party building abroad. All speakers, many of them in charge of overseas party and mass organization work in the past or at present, asserted that since the founding of the Party Affairs Committee 30 years ago, on 30 March 1961, the activities of various organizations of the Communist Party of Vietnam [CPV] abroad have developed significantly. Overseas CPV organizations have made numerous efforts and gained much experience in managing and educating the overseas Vietnamese community in which there are not a few members of the CPV and various mass organizations. Party-building work has made worthy contributions to fulfilling diplomatic and economic tasks, the training of scientific and technical cadres, and the exchange of workers and specialists with foreign countries.

Many delegates drew attention to the need to maintain strict party discipline and to do a better job of managing and educating party members by means of both ideological and organizational measures. They also spoke of the need to promptly and resolutely investigate and deal with any cadres and party members who violate party discipline, including those in charge of party and management work abroad.

Radio Reviews Mar 1991 TAP CHI CONG SAN

BK2803163591 Hanoi Domestic Service in Vietnamese 1000 GMT 24 Mar 91

[Summary] In this Press Review Program, you are invited to listen to a radio review of the contents of the March 1991 issue of TAP CHI CONG SAN.

The journal begins with an editorial entitled "Correctly Evaluate the Situation in Order To Arrive at an Accurate Solution." The editorial says: "Our party is making active preparations for the Seventh National Party Congress. This is a very important phase of our party's political activities. It is a major duty of the Seventh Party Congress to review the actual changes in the country over the years, examine party-building work, discuss and decide on a political platform and a socioeconomic strategy, and on this basis set forth the orientations and tasks for the 5-year 1991-95 period, revise the party statute, and elect a new leadership organ."

The editorial continued: "Reviewing the actual situation is of extreme significance. Not only will a correct evaluation of the situation create a scientific basis for coming up with accurate solutions, but it will also contribute to convincingly fixing an ideological orientation and consolidating an identity of views, confidence in our course of action, and unity in actions."

In order to correctly evaluate the situation at a time when the national situation is still fraught with turbulent events, "it is important to have a correct, crystal clear, and disinterested stance and method for evaluation; a scientific conception; a dialectical materialist stance; a general vision; and an unperturbable and objective attitude."

On the 60th anniversary of the Ho Chi Minh Communist Youth Union, the journal carries an article by Ha Quang Du, first secretary of the Ho Chi Minh Communist Youth Union Central Committee, in which "he affirms the role of the Ho Chi Minh Communist Youth Union as a strike force, a backbone force, and a reliable reserve brigade of the party in the past 60 years as well as in the current renovation undertaking."

In an article by Minister of Public Health Pham Song entitled "Inherit and Vigorously Develop the Nation's Traditional Medicine," the author calls on the people to pay greater attention to studying experiences from popular medicine and combine traditional medicine with modern medicine.

Found in the "Proceeding Toward the Seventh Party Congress" column are the following:

—Report on a discussion on the draft platform and the draft strategy held by the economics staff of TAP CHI CONG SAN. "This article presents differing views over those basic issues, especially the economic issue, outlined in the two draft documents, such as over socialism and the transition to socialism in our country at present, over the way to advance to Marxism-Leninism, and over the contents of the platform and the strategy."

—Article by Hoang Anh Nhan of the Nguyen Ai Quoc Insitute entitled "On the Relations Between Planning and the Market," discussing additional ideas to the draft platform regarding the rule governing relations between planning and the market.

—Article by Do Kim Thinh of the Institute of Culture, dealing with the alarming degradation of the cultural and social lifestyle amid growing demands for cultural and artistic entertainment. The article says: "Literary and art activities with the goal of cultivating social manners and building a lifestyle and a new socialist culture in our country, are facing countless tough challenges. The people's cultural and spiritual life has been adversely affected and the people in our country are now in a state of perplexity. There is declining confidence over the role of the country's literary and art sector. The article points out important and necessary tasks of the literary and art sector under the human strategy, which are also the leading objectives of the current renovation undertaking."

—Article by Major General Ho Phuong: "On Culture and Arts," providing "additional ideas to the part of the draft platform dealing with culture, literature, and arts."

—Article by Phan Doan Nam, editor in chief of the VIETNAM COURIER, an organ of the Ministry of Foreign Affairs, entitled "On the Cooperation Among National Security, National Defense, and Foreign Affairs in the New Revolutionary Stage." The author "suggests setting up a coordination organ at the highest echelon to deal with matters concerning national interests. This organ is the National Security Council."

The "Study and Exchange" column consists of the following:

—Article by Dao Xuan Sam, an economics professor, saying that "the possiblity of renewed high inflation still persists if we lack a correct and consistent solution."

—Article by Mach Quang Thang, doctoral candidate in historical science, entitled "The Party in the Political System and its Political Leadership," justifying the legality of party leadership over the people by saying that the party does not reserve for itself the right to rule over the political system "but this is an inevitability dictated by objective demands of our country's history and by the desire of the people."

—Article by Nguyen Van Thao, head of the Institute of Judicial Science, entitled "Administer Society by Law and Build a Legal State," saying that "it is essential that everyone be equal before the law and that the state activities be law-abiding. It is necessary to regularly instill a law-abiding attitude in the people."

—Article by Chu Huu Qui, deputy head of the party Central Committee Agricultural Department, entitled "On the Role of the Grass-Roots Administration at the Village and Hamlet Levels in the Cause of Building New Rural Areas," discussing "the actual situation of the grass-roots administration at present, the difficulties encountered by it, its weaknesses, and the causes leading to these problems."

Included in the "World, Problems, and Events," column are the following:

—Article by Le Vinh: "On the Tendency To Privatize the World Economy," discussing the positive and negative aspects of this tendency.

—Article by Colonel Tran Trong, dealing with "a shift in military direction by certain countries in the world and pointing out the actual situation of some East European countries following the collapse of socialism."

Found in the "Through Foreign Publications" column are (1) an article in Issues Nos. 9 and 10 of the Soviet Magazine "Socialism—Theory and Practice" entitled "On a Non-Dogmatic and Non-Plagiaristic Marxism-Leninism"; and (2) an article in the 23 July 1990 RENMIN RIBAO on the attitude to be adopted when it comes to acknowledging mistakes.

Commentary Hails 'Success' of LPRP Congress

BK3103090991 Hanoi Domestic Service in Vietnamese 1430 GMT 29 Mar 91

[Station commentary: "The Fifth Congress of the Lao People's Revolutionary Party Is Crowned With Fine Success"]

[Text] The Fifth Congress of the Lao People's Revolutionary Party [LPRP] has closed in success. The congress discussed and adopted the LPRP Central Committee's Political Report read by General Secretary Kaysone Phomvihan. It also discussed and adopted the report on amending the LPRP Statutes and the Draft Party Statutes. Especially, the congress succeeded in electing a full Fifth Central Committee which reflects national solidarity and the party's unity while showing continuity and gradual rejuvenation of the contingent of leading cadres.

The Fifth LPRP Congress was held amid an atmosphere permeated with the entire Lao people's enthusiasm over the great initial victories in the ongoing renovation process. Over the past five years, with the policy of carrying out comprehensive renovation and under the light of various documents of the Fourth Party Congress, the LPRP has drawn a great deal of useful experience from both successes and limitations, from factors that strongly stimulate national development and those running counter to it. All this experience has been summed up in the five lessons listed in the LPRP Central Committee's Political Report. The lessons are:

—The LPRP, with its correct line, is the factor deciding victory;

—National unity and concord is a great strength;

—One must rely on the people; everything must come from the people; and everything must be done in the interests of the people;

—Cadres are the ones who decide all successes and failures of a line, and;

—One must bring into full play one's patriotism and pure internationalism and must combine national strength with that of the present time.

Entering the current revolutionary stage, the LPRP has affirmed that it will continue the renovation process in all fields, strengthen national unity and singlemindedness on the basis of the worker-peasant-intellectual alliance under the party leadership, actively encourage the multisectorial economy to strongly develop productive forces, and transform the natural and semi-natural economy into a commodity economy. It will continue to develop democracy in all aspects of social life, heighten the role of the various mass organizations, build a stable and strong state apparatus operating in accordance with the law, ensure political stability and public order and security, and continue to broaden international relations of cooperation. In foreign relations, the LPRP has stressed the need to strengthen the special solidarity and all-round cooperation with Vietnam and Cambodia, and do its utmost to foster the relations of friendship and all-round cooperation with the Soviet Union, China, and other fraternal countries.

The Communist Party of Vietnam as well as the Vietnamese working class consider the success of the Fifth LPRP Congress as their own. They also regard the lessons drawn from the revolutionary process of fraternal Laos as well as the policies it is going to implement as their own useful experience. At the Fifth LPRP Congress, our party General Secretary Nguyen Van Linh affirmed in his greeting speech that the Fifth LPRP Congress resolution is a beacon and a source of strong inspiration for the Lao people of all tribes who, under the LPRP's correct and clear-sighted leadership, will steadily march forward to successfully carry out the historic tasks laid down by the congress, firmly defend national indpendence, and successfully build a peaceful, independent, unified, democratic, prosperous, and strong Laos.

General Secretary Nguyen Van Linh also emphasized: The parties and peoples of our two countries did and are doing their utmost to consolidate and strengthen the special relations of solidarity and friendship between Vietnam and Laos. This is an extremely valuable tradition and a priceles legacy bequeathed to us and the future generations by Uncle Ho and various generations of Vietnamese and Lao revolutionaries. This is also a legitimate source of pride for the Vietnamese and Lao parties and peoples. The Mekong River may run dry, the Truong Son Range may wear out, but the special relations of solidarity and friendship between Vietnam and Laos will remain evergreen and everlasting.

Official Views New Thai Regime, Relations

BK2503014191 Bangkok BANGKOK POST in English 25 Mar 91 pp 1, 3

[By Suphaphon Kanwirayothin]

[Text] Hanoi—Vietnam is generally appeased by statements indicating Thailand will continue its policy of befriending neighbouring countries, although some statements reflect slight differences on the Cambodian issue, according to Vietnam's Foreign Vice-Minister Le Mai.

Le Mai, a former ambassador to Thailand, said the message in particular that allayed Vietnam's concerns over relations came from Supreme Commander and National Peace-Keeping Council [NPKC] chief Gen Sunthon Khongsomphong.

During a recent coversation with the Vietnamese Ambassador to Thailand, Nguyen Trung, Gen Sunthorn reportedly said on bilateral ties: "No change in the least, if Thailand can't make it better."

In an interview with the BANGKOK POST on Friday, Le Mai said recent political changes in Thailand will not affect Thai-Vietnamese relations "because we share the common benefits of peace and stability in the region." He emphasised that Vietnam "appreciates very much" Gen Sunthon's statement, including his expressed intention to visit Vietnam at an early date.

Le Mai said the Vietnamese Defence Ministry and the Thai military will work out the plan and decide the timing for Gen Sunthon's trip to Vietnam. Citing his experiences with Thailand during his term as ambassador, he said: "I don't know why the media said Vietnam feared the (domestic political) changes because I know that the changes do not usually alter the foreign policy very much." Although Thailand still attaches importance to developing good relations with its neighbors, "the style of work might be different," Le Mai said.

Deposed Prime Minister Chatchai Chunhawan had established and unprecedented rapport with Hanoi and Phnom Penh during his administration, and the recent takeover by the Thai military, which is the traditional backer of the Cambodians fighting Phnom Penh, evidently stirred jitters in Vietnam over the loss of sympathetic supporters on a range of issues. Preparations were then under way for a summit between former Premier Chatchai and Vietnamese Prime Minister Do Muoi in Thailand. Le Mai said neither side has dropped the prime ministerial summit plan, and preparatory work for the meeting is being carried out.

One of five foreign vice-ministers, Le Mai most probably will visit Bangkok to hold talks on various aspects of bilateral relations with Permanent Secretary for Foreign Affairs Witthaya Wetchachiwa next month, at a date convenient to both sides yet to be fixed. Successful preparations at that level would lead to the visit of the Thai Foreign Minister to Vietnam and, ultimately, the two premiers meeting.

Asked about any imminent plan for high-level exchanges, Le Mai said Vietnamese leaders are tied up with preparations for the crucial Seventh Party Congress in June, while the Thai Government, which just assumed office, has to deal with a range of domestic priorities.

Gen Sunchinda Khraprayun, number two in the NPKC, said at the time of the takeover that the Khmer Rouge must be part of an overall Cambodian settlement, and Foreign Minister Asa Sarasin announced later that Thailand would not play a prominent role, but would support the peace process along the line of the United Nations' peace plan.

Vietnam and Phnom Penh hold reservations over the peace blueprint for Cambodia drafted by the five permanent members of the UN Security Council, especially in the demobilisation and interim administration aspects. The plan gives sweeping powers to the UN Transitional Authority on Cambodia in the period leading to general elections. The elaborated draft of the plan that came out in November last year "went too far" from the framework documents which the three resistance factions and Phnom Penh agreed to, Le Mai said.

Hanoi Radio Interviews ACCT Secretary General

BK0404030691 Hanoi International Service in English 1000 GMT 4 Apr 91

[Text] At the invitation of the Vietnamese Government, Mr. Jean Louis Roy, secretary general of the Agency for Cultural and Technical Cooperation, ACCT, paid a visit to Vietnam from 28 March to 1 April. During its stay, the ACCT delegation was received on separate occasions by Vietnamese leaders, had talks, and signed minutes on cooperation with Vietnam. On this occasion Mr. Jean Louis Roy had an interview with our radio correspondent. Asked about the purpose and result of the visit, Mr. Jean Louis Roy said:

[Begin recording in French fading into English translation] We come to Vietnam as representatives of 43 Francophone countries of which Vietnam is a member. Previously we came to Vietnam for a number of projects funded by the French-speaking countries. We often visit the ACCT member countries to study and experiment with the best way to express solidarity of French-speaking countries with Vietnam, the biggest French-speaking nation in Asia.

We are, first of all, impressed by the close ties between Vietnam and the Francophone community. Understandably Vietnam has links with other foreign languages, such as English, Russian, and Chinese. However, the most noticeable thing in history is the link between Vietnam and the French culture and language which, I think, should be treasured. [end recording]

This, he said, has been manifested by Vietnam's participation in the Francophone community.

The delegation's visit was not to impose the language but to help Vietnam in cultural and economic development. He expressed the hope to maintain cooperative relations in several fields in localities. He said his delegation was lucky enough to be able to visit different areas in Vietnam and see with our own eyes the special efforts being made by the local people to improve their cultural life, and the purpose of his delegation's visit was to support those efforts, he asserted.

On the outcome of the visit, Mr. Jean Louis Roy said: The delegation had working sessions with several ministries and services of Vietnam and had contacts with ministers, deputy ministers and specialists to deal with priority projects for Vietnam. ACCT is going to fund the organization of a regional seminar on cultural characteristics, the questions of ethnic minority groups, as well as relations between man and history in Southeast Asia. Agreement has been reached between the delegation and the Vietnamese Ministry of Culture on the holding of an exhibition on Vietnamese culture in France and other French-speaking countries in 1992. In agriculture ACCT has several projects including one helping Vietnam research the maintenance of seeds, which is really a big problem for countries with a high rate of moisture.

ACCT will finance the establishment of a model household-run plant. ACCT also considers giving financial assistance to four local radio stations and will continue helping Vietnam develop the broadcasting systems in rural areas. He said an important symbol of ACCT-Vietnam cooperation is the assistance to the publication of the prison diary by President Ho Chi Minh in French and Vietnamese.

On the prospective of ACCT-Vietnam cooperation, Mr. Jean Louis Roy said: The prospects for mutual cooperation was acknowledged by Vietnamese friends wherever we went and had working sessions. The Vietnamese side observes the present state of cooperation as effective and would like it to be broadened. We wish for further effectiveness between Vietnam and ACCT to ensure the smooth performance of other programs.

Mr. Roy said ACCT has set up in Hanoi a regional coordinating office to cover other ACCT-funded projects being underway in Vietnam as well as Laos and Cambodia and other countries in the region. He expressed his hope that capital Hanoi of Vietnam will become a regional center for coordination of French-speaking countries in Asia and other countries. He said: At contacts with Vietnamese leaders the two sides expected to strengthen the role of ACCT as well as Vietnam's in both scope and scale in the South-South relations and in the Francophone bloc.

VNA Reports on Review of PAM-Funded Project

BK0104082091 Hanoi VNA in English 0614 GMT 1 Apr 91

[Text] Hanoi VNA April 1—The managerial board of the PAM-funded project [World Food Program-funded project] 3351 has met recently to review the work done over the past two years and work out a programme of action for 1991.

This 11.837 million U.S. dollar-worth project on upgrading the irrigation system for the development of food production in Hoang Long and Gia Vien, Ha Nam Ninh Province, began in 1989 and will last four years.

With a total of 7,697 work days and 19,242 tonnes of food spent in this first phase, the Hoang Long River was dredged, capable of discharging water in the rainy season pumping stations, reconditioned, and now can water 3,859 hectares of crop fields, up by 1,000 hectares compared with the past field border, and dyke systems have been strengthened. The plan projected for the first phase was topped by 8.6 percent.

At the meeting, measures have been mapped out to better manage and utilise the foreign aid and money provided by the state, so as to turn the single rice crop area of 11,000 hectares, frequently struck by flood and water logging, into one with two stable crops.

Le Quang Dao-Led Delegation Visits USSR

WA0404190191

For reportage on the visit to the Soviet Union by a delegation led by Le Quang Dao, chairman of the Vietnamese National Assembly, see the Southeast Asia & Pacific section of the 4 April and subsequent issues of the Soviet Union DAILY REPORT.

For reportage on the visit in the Belorussian Soviet Socialist Republic by the same delegation see the Western Republics section of the 5 April and subsequent issues of the Soviet Union DAILY REPORT.

Australia

U.S. Farm Subsidies 'Costing' Farmers

BK0404074091 Melbourne Overseas Service in English 0500 GMT 4 Apr 91

[Text] President Bush has responded to an appeal sent to him by the Australian prime minister, Mr. Hawke, over American farm subsidy policies. Radio Australia's Canberra office report says the contents of the written reply is expected to be tellable in federal parliament next week.

Mr. Hawke wrote to President Bush early last month that he had waited for arguments by an Australia trade delegation to Washington against an expansion of the U.S. export enhancement program.

In his letter, Mr. Hawke told Mr. Bush the subsidies were costing Australian farmers dearly and causing grave concern.

Unemployment at 8.7 Percent; Hawke on Recovery

BK0504112891 Hong Kong AFP in English 0933 GMT 5 Apr 91

[Text] Sydney, April 5 (AFP)—Job vacancies fell by 24.2 per cent indicating Australia's recession was still deepening in the three months to February, according to figures released Friday.

Australian Bureau of Statistics figures showed the number of job vacancies nationwide fell to 26,900, 52 per cent below the figure for 12 months previously and the lowest level since its job vacancy records started.

Recent data showed total unemployment had risen from 8.3 per cent in January to 8.7 per cent in February—or 738,300 people, the highest ever recorded.

"The seasonally-adjusted estimate for February 1991 is the lowest since the series was introduced in November 1983 (30,100) and continues the decline which began in August 1989," the bureau said.

The data provided statistical support for accumulating anecdotal evidence of worsening unemployment, such as a widely reported queue of almost 500 people, many of them skilled tradesmen, for 60 jobs in a new hardware store here Thursday.

The wholesale and retail trade industry recorded the largest decline since November, with vacancies falling 27.9 per cent or 1,700.

The Centre for Economic Studies in the state of South Australia predicted unemployment might hit a 20-year high of 12 per cent as Australia fell deeper into recession.

Its latest quarterly report said the economy was experiencing a "fake" recovery and worse was still to come.

Director Trevor Mules said retrenchments would continue and consumer confidence would keep falling, with the worst time for the economy expected in July or August.

"Before things can get better we will need to see an improvement in at least one of three sectors, motor vehicles, construction and agriculture," he said.

"However, on all the available evidence, each one of these is sliding deeper into recession."

He warned the outlook for the agricultural sector looked particularly bleak with the full impact on metropolitan areas yet to be felt.

However, Prime Minister Bob Hawke said he believed the economy was "round about" at the bottom of the trough and recovery was still forecast for the second half of the year.

He told journalists, "there is quite a bit of statistical and anecdotal evidence that our expectations that we will come out of the recession in the second half of the year are valid."

Mr. Hawke said the government had stated repeatedly that the labour market was the last area to show signs of recovery.

Japanese Official Interviewed on Timber Imports

OW0504063591 Tokyo KYODO in English 0411 GMT 5 Apr 91

[Text] Sydney, April 5 KYODO—Motokatsu Watanabe, a senior official with the Japanese Ministry of Foreign Affairs, is in Australia this week promoting Japanese Government initiatives on rainforest conservation.

In an interview with THE SYDNEY MORNING HERALD on Thursday, Watanabe said his Government is committed to substantially reducing imports of rainforest timber by the end of the decade.

He said both Japanese and other companies exporting rainforest timber to Japan will now be required to submit a monthly report indicating the area, quantity, and quality of the exported timber.

The companies will also have to comply with the Government's five-year reforestation guidelines.

"For the first time, we have established a monitoring system," he said.

"If these reports show sudden increases in exports, we will be asking why. We are facing the reality. People are so concerned about the environment that we can't close our eyes to this tide of concern."

Watanabe added that at the meeting of the International Tropical Timber Council, to be held next month in Ecuador, Japan will push for guidelines ensuring that, by the year 2000, no timber will be imported from forests that are not managed on a sustainable yield basis.

French Polynesia

'Conservative' Gaston Flosse New Prime Minister

BK0504115291 Hong Kong AFP in English 0830 GMT 5 Apr 91

[Text] Papeete, April 5 (AFP)—Conservative Gaston Flosse has been elected head of French Polynesia's Government and immediately said he wanted an investigation into the territory's finances.

Mr. Flosse, 59, was secretary of state for the South Pacific in Jacques Chirac's conservative government, and is a close friend of the former prime minister.

Mr. Flosse was elected Thursday after weeks of political manoeuvering. His Tahoeraa Huiraatira (Popular Rally) Party, closely linked to Mr. Chirac's Rally for the Republic (RPR), took 18 of the 41 seats in elections to the territorial assembly on March 17.

After the elections, his party formed an alliance with Emile Vernaudon's Independent Ai'a Api (New Homeland) Party, which won five seats. Through the deal, Mr. Vernaudon became the assembly's president.

Only 29 deputies voted on Thursday—25 for Mr. Flosse and four for Oscar Temaru, who heads the Polynesian Liberation Front, which is pro-independence and opposed to France's nuclear testing programme in the region.

Mr. Flosse takes over from Alexandre Leontieff, a pro-socialist independent.

Mr. Flosse said he would order an audit of the territory's financial situation, which he said was impossible to evaluate on available figures. It would be carried out by internationally respected auditors with no links to the territory, he said, adding he did not want "revenge, nor a settling of scores nor a witchhunt."

His comments followed a call by Bernard Pons, the minister for overseas territories in Mr. Chirac's government, for Prime Minister Michel Rocard to explain "transactions" between France's socialist government and the outgoing government in Papeete.

Mr. Pons, head of the RPR group in the French National Assembly, said the "transactions" had wiped out or rescheduled 700 million francs (more than 120 million dollars) of the territory's debts.

Mr. Flosse vowed to "drastically" reduce unnecessary expenditure, and as a first step cut the number of ministers in his cabinet from 12 to eight.

New Zealand

Minister Reacts to Labor Legislation Protest

BK0504100891 Melbourne Overseas Service in English 0800 GMT 5 Apr 91

[From the program "International Report"]

[Text] New Zealanders have taken to the streets in their thousands to vent their anger at a radical redrafting of the country's labor laws. Led by teachers, marchers turned out in numbers not seen in New Zealand since the South African Springbok Rugby tour a decade ago. The message was that the government has a fight on its hand with the new employment legislation which outlaws strikes, and it is seen as an effort to drive down wage rates.

Our Wellington correspondent, Brenden Burns, reports:

[Begin recording] [Burns] From the province of Northland to the provice of Southland, in the major cities and in small rural towns, New Zealanders took to the streets in their tens of thousands. In Auckland the unemployed joined ranks with the teachers and there was no doubting the anger people feel toward the government. Teachers were the spark for the marchers. They closed most schools and forced 700,000 children to have a day off. The cause of the teachers' protest is the Employment Contract Bill now before parliament and the National [Party] government vehicle for radical reform of the country's labor laws.

The bill will do away with compulsory unionism from 1 May and sets the scene for employers and employees to negotiate job contracts. Strikes and lockouts will be made illegal. Many workers fear reduced conditions of employment and pay will result from the legislation, with the hands of employers strengthened by less union power and by high and rising unemployment.

The architect of the legislation, Labor Minister Bill Birch, and hardline ministers of finance and social welfare, Ruth Richardson and Jenny Shipley, [were] burned in effigy in Auckland's main street. Bill Birch, the labor minister, effects an unruffled air about the protests. He says the reforms he is introducing will allow employers and employees to negotiate contracts which will reward productivity and help steer New Zealand out of its economic morass.

Mr Birch is not impressed by the teacher-led marches.

[Birch] I think the teachers have been misled by [words indistinct] and a large number of other people (?have been) misled.

[Burns] But, it is not just teachers that Mr Birch and his [bill] are up against. Public servants are mobilizing against the Employment Contract Bill. Editions of major newspapers have been lost this week. Nurses and doctors have taken to the streets in their own protests. There are suggestions of a nationwide strike being organized. Anger is mounting in New Zealand with the Labor Law changes following on from this month's introduction of welfare benefit cuts of up to $35 a week. Just five months after it swept into office with the landslide victory, the National Government is well past the honeymoon and heading into a winter of discontent. [end recording]

Western Samoa

'Bitter' Rivals Face Off in 5 Apr Elections

BK0504065091 Hong Kong AFP in English 0536 GMT 5 Apr 91

[By Michael Field]

[Text] Apia, April 4 (AFP)—A bitter personal gap based on age, style and tradition separates the leaders of Western Samoa's two main political parties on the eve of the nation's first elections by universal suffrage.

When the polls open at 9 A.M. Friday (2000 GMT), as many as 56,000 voters will choose between the Human Rights Protection Party (HRPP), lead by Prime Minister Tofilau Eti Alesana, or the Samoa National Development Party (SNDP) of Tupua Tamasese Efi, who holds one of the four "royal" titles in Samoa.

In seperate interviews both Tofilau and Tupua have expressed a strong personal dislike of the other.

"This man, just about everything in his life is coloured by dishonesty," Tupua said of Tofilau, who retorted by calling his rival "arrogant."

Tofilau, 67, born in American Samoa, is Western Samoa's longest serving politican, who first entered parliament in 1957 and became health minister in 1959, a job he held for nine years.

Samoa had no political parties until 1979, when Tofilau and Va'ai Kolone—now deputy leader of the SNDP—formed the HRPP in a bid to remove Tupua from the premiership which he then held.

Friday's elections for 47 seats in the Legislative Assembly are the first ever in which everyone over age 21 can vote. Since independence in 1962 only family heads known as matai have been able to vote.

In 1982, the HRPP won the elections with Va'ai as its leader and Tofilau as finance minister but Va'ai was found guilty of corrupt electoral practices and lost his seat to be replaced as prime minister by Tofilau.

Va'ai regained his seat in a by-election, but Tofilau refused to relinquish the premiership and Va'ai defected to join forces with Tupua and overthrew the HRPP government.

Tofilau, who became prime minister again in 1986 and has held office ever since, sees his greatest achievement as turning around the country's economy.

"When we came into power in 1982 the country faced a real chaotic situation," he said. "We had to introduce really austere measures in order to help the economy, including devaluation of the currency and an increase in interest rates." Government spending was cut and civil servants had their salaries frozen. "It worked out very well."

Despite being heavily criticised for terminating subsidies on cocoa and copra, Tofilau remains unrepentant. "My philosophy is that a government should not spoil the people (with subsidies). They encourage people to plant more because the bigger the volume they have, the bigger the amount of money they will get."

Tofilau regards his pledge to introduce complusory and free primary education from next year as the most important part of his platform. He claims Tupua, despite having a tertiary education, lacks maturity and is too young. "It is not only his age, but the way he has acted."

Samoans remember, Tofilau said, that Tupua as a young MP had challenged the office of then-Prime Minister Tupua Tamasese Lealofi IV, holder of one of the four "royal" or Tama-a-aiga titles.

"You know in the Samoan system it is very very queer to do that," Tofilau said.

Tupua, 53, is the son of Samoa's first prime minister, Tupua Tamasese Me'ole. A Catholic, he was educated at Saint Patrick's, Silverstream, in New Zealand, nursery to many of the Pacific's leading politicians, civil servants and churchmen. He was studying law in New Zealand when his father died in 1964 and he returned home to run for parliament.

He became prime minister in 1976 and suffered a damaging public service strike in 1981 which ultimately saw him forced out of office the following year. Tupua recently completed working on a study with the south commission on Third World economies and has been offered other international civil service and university posts. However, he has no plans to quit politics.

"Politicians die, but they do not retire when they're 53. I think I can do something about this place," he said, adding: "I'm going to live and die here." People wanted change, he said, adding that popular issues would decide the result of the elections.

"In the villages the issues are cocoa and corpra prices and subsidies for agricultural chemicals. In the towns, they are mainly corruption, water supply, electricity, hospitals and education."

Tupua accuses the current government of corruption, citing a recent roads repair contract awarded to a company owned by HRPP officials. "They've mucked it up, they're the biggest bunch of crooks. They got into power because people were angry with me over the strike, the young lost their dream, and it was a case of any alternative." However, Tupua admitted Tofilau had the ability to beat him in elections.

"I guess he's a chummy sort of fellow and he has a loyal following. He's done very well, a common denominator [item ends incomplete as received]